



Meeting Agenda

Date & Time: 6/1/2026 | 12:00 PM

Location: SLDMWA Boardroom

Notice of Finance & Administration Committee Regular Meeting / Joint Finance & Administration Committee Regular Meeting-Special Board Workshop

842 6th Street, Los Banos
(List of Member/Alternate Telephonic Locations Attached)

Public Participation Information

Join Zoom Webinar -

<https://us02web.zoom.us/j/82301316900?pwd=ELBICextCUy0adh63RHPKHEncli5kQ.1>

NOTE: Any member of the public may address the Finance & Administration Committee/Board concerning any item on the agenda before or during consideration of that item.

Because the notice provides for a special meeting of the Finance & Administration Committee ("FAC") and a joint special FAC Meeting/Special Board workshop, Board Directors/Alternates may discuss items listed on the agenda; however, only FAC Members/Alternates may correct or add to the agenda or vote on action items.

NOTE FURTHER: Meeting materials have been made available to the public on the San Luis & Delta-Mendota Water Authority's website, <https://www.sldmwa.org>, and at the Los Banos Administrative Office, 842 6th Street, Los Banos, CA 93635.

Agenda

Item	Topic	Lead
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| 1. | Call to Order/Roll Call | |
| 2. | Finance & Administration Committee to Consider Additions or Corrections to the Agenda for the Finance & Administration Committee Meeting only, as Authorized by Government Code Section 54950 <i>et seq.</i> | |
| 3. | Opportunity for Public Comment – Any member of the public may address the Finance & Administration Committee/Board concerning any matter not on the agenda, but within the Committee or Board's jurisdiction. Public comment is limited to no more than three minutes per person. For good cause, the Chair of the Finance & Administration Committee may waive this limitation. | |

ACTION ITEMS

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| 4. | Approval May 11, 2026 Meeting Minutes | |
| 5. | Recommendations to Board of Directors Related to DMC Subsidence Correction Project | Arroyave,
McNeil |

- A. Adoption of Resolution Authorizing Execution of Amended and Restated Construction Manager/General Contractor Agreement with Kiewit Corporation and Related Expenditure of \$37.5 Million**
- B. Execution of Construction Support Services Task Order with CDM Smith, Inc. and Related Increase in Expenditure of Up to \$4,538,061**
- C. Adoption of Resolution Authorizing Execution of Mitigation Credit Purchase and Sale Agreement and Related Expenditure of Up to \$1.2 Million**

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| 6. | Recommendation to Board of Directors to Adopt Resolution Updating Banking Relationship with and Signature Requirements for Community West Bank and Superseding Resolution No. 2020-473 | Tarka |
| 7. | Recommendation to Board of Directors to Authorize Amendments to Task Orders with Stantec, Inc. and Related Expenditure of \$139,500 from the FY27 Leg Ops and OM&R Budgets | Petersen |

REPORT ITEMS

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|------------|---|---------|
| 8. | FY26 Activity Agreements Budget to Actual Report through 4/30/26 | Tarka |
| 9. | FY26 O&M Budget to Actual Report through 4/30/26 | Tarka |
| 10. | Contract/Procurement Activity Reports | Tarka |
| 11. | Accounting Updates, including Financial & Expenditures Reports | Tarka |
| 12. | Executive Director's Report
(May include reports on activities within the Finance & Administration Committee's jurisdiction re: 1) CVP/SWP water operations; 2) California infrastructure projects; 3) regulation of the CVP/SWP; 4) existing or possible new State and Federal policies; 5) Water Authority activities) | Barajas |
| 13. | Committee Member Reports | |
| 14. | Reports Pursuant to Government Code Section 54954.2(a)(3) | |
| 15. | ADJOURNMENT | |

Persons with a disability may request disability-related modification or accommodation by contacting Cheri Worthy or Sandi Ginda at the San Luis & Delta-Mendota Water Authority Office, 842 6th Street, P.O. Box 2157, Los Banos, California, via telephone at (209) 826-9696, or via email at cheri.worthy@sldmwa.org. Requests should be made as far in advance as possible before the meeting date, preferably 3 days in advance of regular meetings or 1 day in advance of special meetings/workshops.

This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Section 54950 et seq. and has not been prepared with a view to informing an investment decision in any of the Authority's bonds, notes, or other obligations. Any projections, plans or other forward-looking statements included in the information in this agenda are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of the Authority's bonds, notes or other obligations and investors and potential investors should rely only on information filed by the Authority on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures, maintained on the World Wide Web at <https://emma.msrb.org/>.

SLDMWA FINANCE & ADMINISTRATION COMMITTEE REGULAR MEETING TELEPHONIC LOCATIONS

June 1, 2026

15671 W. Oakland Ave
Five Points, CA 93624

2535 Dover Court
Lakewood, CO 80215

1025 Deerhaven Drive
Vista, CA 92084



Meeting Minutes

Date & Time: 5/11/2026 | 12:00 PM
Location: SLDMWA Boardroom
842 6th Street, Los Banos

San Luis & Delta-Mendota Water Authority Finance and Administration Committee Regular Meeting and Joint Finance and Administration Committee Regular Meeting – Special Board of Directors Workshop

Attendance

Committee Members Present

Ex-Officio: Absent
Division 1: Anthea Hansen, Chair/Member
Lea Emmons, Alternate
Division 2: Justin Diener, Member
Stephen Farmer, Alternate
Division 3: Jarrett Martin, Alternate
Division 4: Brett Miller, Member
Division 5: Manny Amorelli, Alternate
FWA: Wilson Orvis, Member

Board of Directors Present

Division 1: Anthea Hansen, Director
Lea Emmons, Alternate
Division 2: Justin Diener, Director
Division 3: Jarrett Martin, Director
Division 4: Dana Jacobson, Director
Brett Miller, Alternate
Division 5: Manny Amorelli, Director

FWA Representative: Wilson Orvis, Alternate

Authority Representatives Present

Federico Barajas, Executive Director
Pablo Arroyave, Chief Operating Officer
Scott Petersen, Water Policy Director
Rebecca Akroyd, General Counsel
Ray Tarka, Director of Finance
Lauren Viers, Accounting Manager
Jaime McNeil, Engineering Manager
Chauncey Lee, O&M Manager
Stewart Davis, IT Officer
Eddie Reyes, Information Systems Technician

Others Present

Patrick McGowan, Panoche Water District
Chase Hurley, Pacheco Water District

Agenda

Item	Topic	Lead
1.	Call to Order/Roll Call — The meeting was called to order by Committee Chair Anthea Hansen at approximately 12:00 p.m. and roll was called.	
2	Additions or Corrections to the Agenda of Items, as authorized by Government Code Section 54950 et seq. — No additions or corrections.	
3.	Opportunity for Public Comment — No public comment.	
4.	Finance and Administration Committee to Consider Approval of the April 6, 2026 Meeting Minutes — Chair Anthea Hansen deemed the April 6, 2026 meeting minutes approved as presented.	

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5. **Recommendation to Board of Directors to Accept the Treasurer's Report for the Quarter Ending March 31, 2026** – Director of Finance Raymond Tarka reviewed the Treasurer's Report. Tarka stated that total cash as of March 31, 2026 was \$17,759,205.72. The Authority is in compliance with the investment policy and is able to meet cash requirements for the next six months. M/S - On a motion made by Member Brett Miller, seconded by Member Wilson Orvis, the Committee recommended acceptance of the Treasurer's Report for the quarter ending March 31, 2026. Vote: Ayes –Hansen, Diener, Jarrett Martin, Miller, Amorelli, Orvis; Nays – 0; Abstentions – 0. Tarka
6. **Recommendation to Board of Directors to Accept Fiscal Year 2024 Audited Financial Statements** – Director of Finance Raymond Tarka introduced the item. Tarka then referred to external auditor Brian Nash from Richardson and Company to review the final draft of the FY2024 audited financials. Nash began by commending staff on the completion of two audits in less than eight months. Nash then reviewed the audit outline presented to the committee. The outline noted any changes and significant variances from the FY2023 audit. Nash then reviewed the Governance Letter and Management letter with the committee. Tarka and Nash answered questions throughout the presentation. M/S - On a motion made by Member Brett Miller, seconded by Member Justin Diener, the Committee recommended accepting Fiscal Year 2024 Audited Financial Statements. Vote: Ayes – Hansen, Diener, Jarrett Martin, Miller, Amorelli, Orvis; Nays – 0; Abstentions – 0. Tarka
7. **Recommendation to Board of Directors to Authorize Award and Execution of Agreement for Fuel Delivery Services and Expenditure of Up to \$300,000 from the FY 2027 OM&R Budget** – Chief Operating Officer Pablo Arroyave introduced the item, stating staff is seeking approval to execute two 3-year fuel contracts with two additional option years: one contract issued to Ramos Fuel for the Tracy facilities and the other for Toro to provide fuel for the Los Banos facilities. Staff answered questions throughout the presentation. M/S - On a motion made by Member Brett Miller, seconded by Member Justin Diener, the Committee recommended authorizing award and execution of agreement for fuel delivery services and expenditure of up to \$300,000 from FY 2027 OM&R Budget. Vote: Ayes –Hansen, Diener, Jarrett Martin, Miller, Amorelli, Orvis; Nays – 0; Abstentions – 0. Arroyave
8. **Recommendations to Board of Directors Related to DMC Subsidence Correction Project** Barajas, Arroyave, McNeill
 A. Revisions to Cost Allocation for Phase 1
 B. Revisions to Scope for Phase 1
Executive Director Federico Barajas introduced the item. Barajas noted that the scope of work has changed as discussed in the planning committee meeting due to the \$235M Federal award. Barajas then referred to Engineering Manager Jaime McNeil to discuss the changes under each task. M/S - On a motion made by Member Justin Diener, seconded by Member Wilson Orvis, the Committee approved
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recommendations related to DMC Subsidence Correction Project, including utilization of nonreimbursable funds for Phase 1, and adoption of a revised scope for Phase 1 consistent with the following: Task 1: No changes (Approximate 2 ft. freeboard raise between 3.5 (JPP) to MP 7.2 (DCI), based on 4,600 cfs design flow and no future anticipated subsidence); Task 2: Revised (expanded sag area repairs on Upper DMC); Task 3: Replaced (instead of panel repair program, address 3 critical bridges on Upper DMC); Task 4: Replaced (instead of panel repair program, address 1-2 critical bridges on Lower DMC). Vote: Ayes – Hansen, Diener, Jarrett Martin, Miller, Amorelli, Orvis; Nays – 0; Abstentions – 0.

9. **Recommendation to Board of Directors to Ratify Execution of Change Orders for Jones Pumping Plant Unit 5 Leak Investigation & Repair Project and Increase in Expenditures of Up to \$264,898 from the FY 2026 EO&M Budget** Arroyave, McNeill
 - A. **Unit 5 Impeller Balancing Construction Agreement with Unico Mechanical Corp.**
 - B. **JPP Pump Casing and Bifurcation Pipe Recoating Construction Agreement with Hartman-Walsh Painting Company**

Chief Operating Officer Pablo Arroyave introduced the item, explaining the need for prompt execution of the change orders. Arroyave stated that with the repair the Authority will be back to five units at Jones Pumping Plant next week. Engineering Manager Jaime McNeil stated the repair exceeds the \$200,000 approval threshold and the change order is over 10% requiring board approval. M/S - On a motion made by Member Wilson Orvis, seconded by Alternate Manny Amorelli, the Committee recommended ratifying execution of Change Orders for Jones Pumping Plant Unit 5 Leak Investigation & Repair Project and increase in expenditures of up to \$264,898 from the FY2026 EO&M budget. Vote: Ayes – Hansen, Diener, Jarrett Martin, Miller, Amorelli, Orvis; Nays – 0; Abstentions – 0.
10. **FY26 Activity Agreements Budget to Actual Report through 3/31/26 —** Tarka

Director of Finance Raymond Tarka presented the Budget to Actual Report through March 31, 2026 for the Activity Agreement funds. Tarka stated for the five-month period, the budget was trending positive overall with actual spending ending March 31, 2026 at \$367,368 or 3.14% of the approved budget.
11. **FY26 O&M Budget to Actual Report through 3/31/2026 —** Director of Finance Raymond Tarka reported that for WY25, the self-funded routine O&M expenses through March 31, 2026 are under budget by \$54,194 or 2.6%, mainly due to underspending for O&M expenses in most cost pools except for DCI. Intertie conveyance costs are over-budget by \$398,144. The fiscal year 2025 audit is underway and will be completed as soon as possible. Tarka answered questions throughout the presentation. Tarka
12. **Contract/Procurement Activity Report —** Director of Finance Raymond Tarka presented the Contract/Procurement Activity Report included in the Tarka

packet for the period of April 1, 2026 through April 30, 2026. There were no new contracts issued during this time. Tarka provided detail regarding the four contract change orders issued during the April 1 – April 30 period.

13. **Accounting Updates** — Director of Finance Raymond Tarka provided Accounting Department updates to the Committee. Tarka
- A. FY2025 Audit – Staff has already begun work on the FY2025 audit and are working with the auditors on an estimated timeline for approval.
 - B. Final Accountings – Water Year 2023/2024 final accountings are estimated to be completed within the next 30 days.
14. **Executive Director's Report** Barajas
- A. San Luis Joint Use Facility Cost Share – Executive Director Federico Barajas stated there is ongoing dialogue with DWR and Reclamation. Reclamation is reviewing the approval processes and CVP contractors will now be included in conversations with Reclamation.
 - B. California Aqueduct Subsidence Program (CASP) – Technical and policy conversations and have occurred related to CASP, including members from the Authority and General Managers from districts involved.
15. **Committee Member Reports** — No reports.
16. **Reports Pursuant to Government Code Section 54954.2(a)(3)** — None.
17. **Adjournment** — The meeting was adjourned at approximately 1:01 p.m.



Official Memorandum

PO Box 2157
Los Banos, CA 93635
sldmwa.org

To: SLDMWA Finance & Administration Committee, Alternates
SLDMWA Board of Directors, Alternates

From: Pablo Arroyave, Chief Operating Officer
Jaime McNeil, Engineering Director

Date: June 1, 2026

RE: Adoption of Resolution Authorizing Execution of Amended and Restated Construction Manager/General Contractor Agreement with Kiewit Corporation for DMC Subsidence Correction Project and Related Expenditure of \$37.5 Million

Background

The Delta-Mendota Canal (DMC) Subsidence Correction Project (“Subsidence Correction Project” or “Project”) includes restoring the original design conveyance capacity of the DMC by raising the canal lining and embankments, as well as other structures such as bridges, overchutes, and pipe crossings. The DMC is one of the major components of the Delta Division of the U.S. Bureau of Reclamation’s (Reclamation) Central Valley Project (CVP), and is considered critical infrastructure. The San Luis & Delta-Mendota Water Authority (Authority) and Reclamation are committed to restoring the original capacity to ensure the DMC can meet the needs of the communities and ecosystems reliant upon it.

In November 2025, the Authority formally solicited for electronic proposals to provide all labor, equipment, and services for Construction Manager/General Contractor (CM/GC) Services for the Delta-Mendota Canal (DMC) Subsidence Correction Project Phase 1 - Tasks 1 through 4 (Project). The Board subsequently adopted Resolution No. 2026-556 in February 2026 authorizing award and execution of a CMGC Agreement with Kiewit Corporation (Kiewit). The awarded contract included preconstruction services for Tasks 1 and 2 only.¹

Following contract award, staff worked with Kiewit to complete preconstruction services for Task 1 and to develop a Guaranteed Maximum Price (GMP) for Task 1 for the construction phase of the project.

Issues for Decision

Whether the Finance & Administration Committee should recommend, and the Board of Directors should adopt resolution authorizing execution of an Amended and Restated CMGC Agreement with Kiewit Corporation for DMC Subsidence Correction Project and related expenditure of \$37.5 million.

¹ As described in the RFP, Task 1 is an approximate 2 ft freeboard raise between MP 3.5 to MP 7.2 and Task 2 is sag area and panel repairs in 9 specific areas. The scope of Task 1 remains consistent, while Task 2 is under negotiation with Kiewit and subject to changes to best align with priorities.



Recommendation

Staff recommends adoption of the proposed resolution authorizing execution of the CMGC Agreement and related expenditure of \$37.5 million.

Analysis

Prior to executing the CMGC Agreement for preconstruction services in February 2026 pursuant to Resolution No. 2026-556, staff's original estimate for Task 1 was \$19.75M, which was based upon Reclamation's 30% cost estimate escalated to 2026.

Since February 2026, Kiewit, Reclamation, and the Authority have worked closely together to develop a common understanding of construction details for Task 1. Several challenging aspects of construction were identified by Kiewit that were not originally considered, resulting in additional time and resources needed. The most notable aspects include the high embankments and the low clearance Western Area Power Authority (WAPA) powerlines, both of which will be mitigated by lowering the Operation & Maintenance (O&M) road on both sides of the canal. In addition, Kiewit performed additional geotechnical investigations and determined the borrow sources were not adequate.

Throughout the process, the Independent Cost Estimator (ICE) and the Kiewit estimator worked together through an iterative process to compare and align their scope of work and estimates. Between the first read of the estimate to the third and final read, the percent differences between the ICE and Kiewit estimates shrunk from 52% to 21%. Given the lengthy negotiations that were implemented, staff is confident that no further negotiations will decrease Kiewit's GMP and recommend moving forward with the construction agreement. While considerably higher than originally anticipated, staff is confident in Kiewit's ability to deliver a high quality, safe project on schedule. Additionally, delaying this contract puts the full utilization of the DWR grant at risk and would likely lead to cost increases through escalations.

Board action is required to authorize execution of the amended and restated CMGC Agreement. (See Consolidated Procurement Policy, Section 4.10(g).) Based on the adopted Mitigated Negative Declaration, CEQA Findings of Fact, and Mitigation Monitoring Reporting Plan, and in light of the record of proceedings as a whole, the Authority previously determined that implementation of Phase 1 of the DMC Subsidence Correction Project, as mitigated, would not have a significant impact on the environment. (Resolution No. 2026-555.)

Following Board approval of the GMP, a Notice to Proceed for construction dated June 19 is anticipated, with a substantial completion date of December 31, 2026.

Budget Implications

The additional proposed expenditure of up to \$37.5 million would be funded utilizing existing FY2023 and FY2024 EO&M Funds as well as the Advanced Funds provided by Westlands Water District, and then reimbursed by the DWR and OBBBA grant funds.

Execution of the amended and restated CMGC Agreement would also have non-contract cost implications, including costs associated with the anticipated actions to authorize execution of the Task Order with CDM Smith, Inc. and execution of the Mitigation Credit Purchase and Sale Agreement.



Attachments

1. Proposed Amended and Restated Construction Manager/General Contractor Agreement
2. Proposed Resolution Authorizing Execution of Amended and Restated Construction Manager/General Contractor Agreement for Phase 1 of the Delta-Mendota Canal Subsidence Correction Project and Related Expenditure of \$37.5 Million



**CONSTRUCTION MANAGER/
GENERAL CONTRACTOR AGREEMENT
FOR**

**DELTA-MENDOTA CANAL SUBSIDENCE
CORRECTION PROJECT – PHASE 1**

San Luis & Delta-Mendota Water Authority
15990 Kelso Rd.
Byron, CA 94514

AMENDED AND RESTATED CONSTRUCTION MANAGER/GENERAL CONTRACTOR AGREEMENT
For
DELTA-MENDOTA CANAL SUBSIDENCE CORRECTION PROJECT – PHASE 1

THIS AMENDED AND RESTATED CONSTRUCTION MANAGER/GENERAL CONTRACTOR AGREEMENT (“CM/GC Agreement” or “Agreement”), dated as of June __, 2026 (the “Task 1 GMP Amendment Effective Date”) is between the **SAN LUIS & DELTA MENDOTA WATER AUTHORITY**, a California Joint Powers Agency (“SLDMWA”), and **Kiewit Infrastructure West Co.**, a Delaware Corporation with its address at 4650 Business Center Drive Fairfield, CA 94534 (“CMGC”). SLDMWA and CMGC may be referenced herein individually as “Party” or collectively as the “Parties.”

The parties hereto mutually agree to the terms and conditions set forth herein.

I. CONTRACT DOCUMENTS

- A. This constitutes the Task 1 GMP Amendment of the Agreement and represents a full and complete amendment and restatement of the Agreement in its entirety, including all amendments and Change Orders issued prior to the Task 1 Amendment Effective Date.
- B. The Contract Documents referred to herein are incorporated herein by reference as if set forth in full in this Agreement. The following documents are bound herewith and a part of this Agreement:
 - Exhibit A** General Conditions for Construction (“General Conditions”)
 - Exhibit B** [NOT USED]
 - Exhibit C** Special Provisions – Federal Contracting Requirements (“Special Provisions”)
 - Exhibit D** Preconstruction Services
 - Exhibit E** Worker’s Compensation Certificate
 - Exhibit F** (Optional) Agreement for Securities in Lieu of Retention
 - Exhibit G** Payment and Performance Bond Forms
 - Exhibit H** Guarantee Form
 - Exhibit I** GMP Amendment 1 – Task 1 for Construction Services (Separate Attachment)
- C. Work called for in any one Contract Document and not mentioned in another is to be performed and executed as if mentioned in all Contract Documents. The table of contents, titles and headings contained herein and in said documents are solely to facilitate reference to various provisions of the Contract Documents and in no way affect or limit the interpretations of the provisions to which they refer.
- D. The Contract Documents consist solely of the items listed in Section 1.B (Contract Documents Index), together with any executed GMP Amendment for a Task, and any approved Change Order or Construction Change Directive. The Request for Proposals, all addenda, and the CMGC’s Proposal are incorporated only to define Preconstruction Services, procurement representations, and commercial commitments, and they do not add to, modify, or control the construction Work. For construction Work authorized by a GMP Amendment, the GMP Amendment and the Construction Documents identified in that amendment govern scope, price, and performance.
- E. In case of conflict among the Contract Documents, the order of precedence of Section 4.07 of Exhibit A, General Conditions applies.
- F. Reference Documents. SLDMWA has provided or may provide Reference Documents to Contractor. The Reference Documents are not Contract Documents. The Reference Documents are for information only, and are not mandatory or binding on Contractor, except to the extent

information in the Reference Documents is expressly referenced within and made a contractual requirement as part of the Specifications or other Contract Documents. Prior to the execution of this Agreement, Contractor has conducted its own due diligence as to the accuracy, completeness and relevance of the information contained in the Reference Documents. SLDMWA provides no representations or warranties with respect to the information contained in the Reference Documents. Contractor is not entitled to rely on the Reference Documents as accurately describing existing conditions, presenting design or engineering solutions or directions, or defining means or methods for complying with the requirements of the Contract Documents. However, the information contained in the Reference Documents shall be evidence of whether a risk, condition, matter or other information was known or knowable with reasonable due diligence.

II. DEFINITIONS

Unless otherwise specifically provided herein, all words and phrases defined in the General Conditions shall have the same meaning and intent in this Agreement.

Authority / SLDMWA. San Luis & Delta-Mendota Water Authority, a California joint powers authority. References in the Contract Documents to “SLDMWA” or “Authority” are interchangeable and refer to the same entity. Actions of SLDMWA may be taken by its Board of Directors, Executive Director, or a duly authorized designee under applicable law and internal delegations.

Consequential Damages. The special, indirect, or incidental damages that do not flow directly and immediately from an injurious act but that result indirectly from an action or failure to act, such as revenue losses, loss of use, cost of capital, debt service, loss of profit on related contracts, administrative costs, loss of bonding capacity, lost opportunity, claims of taxpayers and other indirect damage.

CMGC’s Contingencies. The CMGC’s contingencies which are reimbursable portions of the Cost of the Work included in the GMP for risks allocated to CMGC under the Contract Documents.

Contractor / CMGC. The term “Contractor” as used in the Contract Documents (including the General Conditions, bonds, and statutory forms) means the Construction Manager/General Contractor (“CM/GC” or “CMGC”) entering into this Agreement. References to “Contractor,” “CM/GC,” or “CMGC” are interchangeable and refer to the same entity providing Preconstruction Services and, if authorized, construction Work.

Effective Date. [February 9, 2026.]

Task. For purposes of this Agreement, a Task is a discrete portion of the Construction Work that SLDMWA may authorize by executing a GMP Amendment. References to a capitalized Task relate to Construction Work only. The activities described in Exhibit D are Preconstruction Services, are not Tasks, and do not authorize construction Work.

III. PROJECT OVERVIEW

3.1 Nature of Agreement. The Parties wish to fully embrace the principles of collaboration and construction-manager-general-contractor best practice in the performance of the Work and agree to employ the following techniques to maximize the benefits of this Agreement:

- (a) proceed on the basis of trust and good faith and create a culture of open and honest communication;

(b) attempt to resolve disputes efficiently, in good faith, and at the earliest possible stage of dispute resolution;

(c) establish a cooperative and collaborative environment where all parties (including SLDMWA, Engineer, CMGC, and subcontractors) have the opportunity to contribute their best efforts for the benefit of the Work rather than to the benefit of individual parties;

(d) integrate the design team and construction teams (including SLDMWA, Engineer, CMGC, and major subcontractors) as early as possible into the design process;

(e) utilize lean construction methods efficiently and effectively; and

(f) maximize the value of Work delivered for the preconstruction services fee and each GMP (as applicable).

3.2 Construction Manager/General Contractor (“CMGC”) Delivery. SLDMWA has retained CMGC to serve as construction manager for the Project and to perform preconstruction services during the design of the Project before the start of construction. During Preconstruction Services, CMGC will prepare a proposed Guaranteed Maximum Price (“GMP”) for the construction of the Task, subject to approval by the SLDMWA Board, which shall be incorporated into Exhibit I to the Contract by written amendment (the “GMP Amendment”). Construction of the Task shall commence upon issuance by the SLDMWA of a Notice to Proceed (NTP) for construction and shall continue through Final Completion. If the Parties execute a GMP Amendment, CMGC shall serve as general contractor for the construction of the Task during the Construction Phase. The Construction Phase may commence for Tasks while the Preconstruction Services are ongoing for other Tasks.

3.3 Anticipated Tasks. This Agreement contemplates up to four Tasks of construction Work, to be authorized, if at all, only by execution of a GMP Amendment and issuance of a Notice to Proceed for the applicable Task. The brief descriptions below are planning aids only, and do not authorize construction Work, set a price ceiling, or modify the Scope. Preconstruction Services to support development of each Task are described in Exhibit D, and do not constitute or authorize construction Work.

Task 1: Pool 1, MP 3.5 to MP 7.2 (DMC Headworks to the DMC Intertie Pumping Plant). The Work generally consists of raising the existing canal embankment and concrete lining by approximately two feet within Pool 1. The Work includes excavation adjacent to the current lining, placement and compaction of embankment material from approved borrow sources, trimming and shaping of embankment slopes to support lining operations, surface preparation of the existing concrete, and placement of additional concrete at the top of the lining to achieve the higher section. Appurtenant features, including turnouts, drainage structures, and roadway or utility crossings, will be adjusted to accommodate the higher normal water surface.

Task 2: Targeted locations between the DMC Intertie and O’Neill Forebay, MP 7.2 to MP 70.1. The Work generally consists of embankment and lining raises similar to Task 1 at six locations of varying length along both canal banks within the noted mileposts. The shortest location is approximately two hundred feet, and the longest exceeds one mile. These six areas are locations along this section of the canal with the highest levels of subsidence. In Task 2, five of the six identified sag areas include displaced or distorted concrete panels requiring replacement. The panel replacement will necessitate underwater work and the design, installation, and removal of a contractor-designed cofferdam or equivalent system to permit

concrete placement in the dry.

Task 3: The Work generally consists of removal and replacement of concrete canal lining panels that are failed, distorted, or missing. The Work includes saw cutting and removal of existing panels, subgrade preparation to receive new concrete, and placement of new lining panels. The current constructability concept contemplates cofferdams or similar means to create dry work zones for panel removal and placement. Cofferdam installation will involve underwater activities, will constrain flows, and will reduce delivery capacity, requiring coordination with SLDMWA so the canal remains operational.

Task 4: The Work is similar in character to Task 3, consisting of removal of distressed or missing lining panels, subgrade preparation, and placement of new concrete panels in the lower canal pools. Cofferdams or equivalent methods may be used to work in the dry, which will restrict flows and reduce delivery capacity. Construction sequencing will be coordinated with SLDMWA's delivery schedule so the canal remains operational. Pool and check identifiers will be confirmed during Preconstruction Services.

The SLDMWA reserves the right to terminate this Agreement without authorizing construction of any Tasks; to award Tasks to another CMGC or contractor due to price, schedule, or other factors within the SLDMWA's sole discretion; and to direct performance of Tasks in any order, including concurrently. At the time of entering into this Agreement, the SLDMWA does not have sufficient funding to complete all Tasks, but anticipates identifying funding in an amount of the expected cost of each of the Tasks prior to the anticipated commencement of construction of each of the Tasks. CMGC agrees to furnish all tools, equipment, apparatus, facilities, labor, material, and transportation necessary to perform and complete in a good and workmanlike manner to the satisfaction of SLDMWA, all the work required for the Task of the Project for which a Notice to Proceed is Issued.

- 3.4 Preconstruction Services. Upon execution of this Agreement, CMGC shall commence performance of Task 1 and Task 2 Preconstruction Services, as defined in and governed by Exhibit D hereto. Preconstruction Services for any other Task shall be authorized by written direction to proceed with the Preconstruction Services for that Task. While the SLDMWA anticipates authorizing CMGC to proceed with construction services following completion of Preconstruction Services for any Task, performance of Preconstruction Services shall not entitle CMGC to perform any construction services and no construction services shall be performed prior to receipt of a written NTP for the specific services. Preconstruction Services include, in part, establishment of the Guaranteed Maximum Price ("GMP") for the performance of the construction work of each Task.

CMGC acknowledges that, unless directed by SLDMWA, CMGC may not proceed with any construction Work prior to issuance of the NTP with construction of the Task. The division of work into Preconstruction Services and construction services is solely for the benefit of SLDMWA, to enable the use of a delivery methodology allowing award of the Agreement prior to determination of the GMP for each of the Tasks and to permit CMGC to begin performing the Work while SLDMWA obtains funding for later Tasks. Nothing shall require SLDMWA to approve construction of any Task, and the decision by SLDMWA not to issue a NTP with any construction shall not be subject to dispute or any claim for lost profits or other claimed damages.

- 3.5 Construction. Following approval of the GMP for each Task by the SLDMWA Board of Directors, if the SLDMWA elects to proceed with construction, then the SLDMWA shall issue to CMGC a NTP with the Task. CMGC may not perform any construction work or incur any cost to be reimbursed as part of the construction work prior to issuance of that NTP, and the

SLDMWA shall make no payment for construction services unless it issues an NTP applicable to those services.

- 3.5.1 Bonds. As a condition precedent to issuance of a Notice to Proceed, CMGC shall furnish performance, labor, and material payment bonds on forms supplied by SLDMWA, with a surety company licensed to do business in California and acceptable to SLDMWA.
- 3.5.2 Insurance. Prior to commencing the Work, CMGC shall purchase and maintain, at its own expense, insurance coverage as required by the Contract Documents.
- 3.5.3 Subcontracts. Work that CMGC is not going to self-perform shall be performed under a subcontract. Subletting and Subcontracting Fair Practices Act, Public Contract Code: sections 4100 et seq., shall apply to approved subcontractors.
- 3.5.4 Progress Meetings. CMGC shall schedule and conduct meetings to discuss such matters as procedures, progress, coordination, scheduling, and status of the Work. CMGC shall prepare and promptly distribute minutes to SLDMWA and Designer.

These acknowledgments are made following completion of the CM/GC's Preconstruction Services described in Exhibit D, including review of furnished geotechnical data, authorized additional investigation, and review of design documents.

- 3.5.5 Progress Reports. CMGC shall record the progress of the Project. On a monthly basis, or otherwise as agreed to by SLDMWA, CMGC shall submit written progress reports to SLDMWA and Engineer, showing percentages of completion and other information required by SLDMWA. CMGC shall also keep, and make available to SLDMWA and Engineer, a daily log containing a record for each day of weather, portions of the Work in progress, number of workers on site, identification of equipment on site, problems that might affect progress of the Work, accidents, injuries, and other information required by SLDMWA.
- 3.5.6 Cost Control. CMGC shall develop a system of cost control for the Work, including regular monitoring of actual costs for activities in progress and estimates for uncompleted tasks and proposed changes. CMGC shall identify variances between actual and estimated costs and report the variances to SLDMWA and Engineer and shall provide this information in its monthly progress reports to SLDMWA and Engineer.
- 3.5.7 Construction of Each Task. The CMGC, in conjunction with the SLDMWA, agrees to cause each Task of the Project for which it is given a Notice to Proceed to be developed, constructed, and installed in accordance with the terms hereof, the General Construction Terms and Conditions set forth in Exhibit A, the Plans and Specifications, and those things reasonably inferable from the aforementioned documents as being within the scope of the Project Task and necessary to produce the stated result even though no mention is made thereof. The CMGC, in conjunction with the SLDMWA, further agrees that it will cause the development, construction, and installation of each Task of the Project to be diligently performed.
- 3.5.8 Time of Completion. Following receipt of the NTP with the construction of a Task, the CMGC shall proceed with the construction of the Task with due diligence. The construction of the Task shall be fully complete no later than the dates stated in the

NTP, and construction of the entire Project shall be fully complete no later than the date stated in the NTP for the final Task, together with such additional time as may be provided by amendment (change order). Included in the time to complete is an allowance of up to **seven (7)** weather days of excusable weather delays. "Completion" means completion of all contract Task work, including punch list items.

- 3.5.9 Acceptance of the Project. Any Task shall only be considered fully complete after the SLDMWA accepts completion of the Task. The SLDMWA will accept completion of a Task when the entire authorized work for such Task has been completed in accordance with the Plans and Specifications, including any amendments thereto and all close-out documents and submissions required of the CMGC have been provided to the SLDMWA. A Task will not be accepted until approved for completion by the SLDMWA, which approval shall not be unreasonably withheld. If the SLDMWA determines not to accept any Task, then the SLDMWA shall provide the CMGC with a written statement indicating those deficiencies remaining and what measures are necessary in the reasonable opinion of the SLDMWA to correct such deficiencies prior to acceptance by the SLDMWA. Within fifteen (15) days after the SLDMWA accepts a Task as complete, the SLDMWA will record a Notice of Completion with the County Recorder in the county where the Task is located.
- 3.6 Engineer and Design Authority. The United States Bureau of Reclamation is the Engineer for the Project, and retains responsible charge for the design of permanent features of the Work. The Engineer will prepare the Drawings and Specifications for each Task, issue design clarifications, and provide design decisions.
- 3.7 Design Reviews and Approvals. No construction Work may proceed on a Task until the Construction Documents for that Task are accepted by the Engineer, and, where applicable, by other permitting authorities, and until SLDMWA executes a GMP Amendment and issues a Notice to Proceed for that Task. The Engineer's review, acceptance, or comment does not relieve the CMGC of obligations under the Contract Documents.
- 3.8 Delegated Design and Temporary Works. Where the Construction Documents identify Delegated Design or Temporary Works, the Engineer will state the requirements. The CMGC will cause such design to be prepared and stamped by a California professional engineer, and will submit it to the Engineer for review and acceptance for conformance with the stated requirements. The CMGC remains responsible for means and methods, temporary works, and contractor-designed items. The Engineer's acceptance of Delegated Design does not transfer responsibility for those items to the Engineer.

IV. TERM

This Agreement shall take effect on the Effective Date and shall remain in effect until expiration of the Warranty Period or earlier termination. Time is of the essence for Preconstruction Services and construction Work. Contract Time for each Task is established in the GMP Amendment and runs from the Notice to Proceed for that Task.

V. REPRESENTATIONS AND WARRANTIES

5.1 Representations of the SLDMWA. The SLDMWA represents and warrants to the CMGC as follows:

- 5.1.1 SLDMWA is a joint powers authority duly organized and existing under the Constitution and laws of the State of California.
- 5.1.2 SLDMWA has the full power and authority to enter into, to execute and to deliver this Agreement, and to perform all of its duties and obligations hereunder, and has duly authorized the execution of this Agreement. The representatives of SLDMWA executing this Agreement are fully authorized to execute the same.
- 5.1.3 Neither the execution and delivery of this Agreement, nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby, conflicts with or results in a breach or default under the organizational instruments of SLDMWA or any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order.
- 5.1.4 No action, suit, proceeding, or litigation pending and served on SLDMWA challenges (i) SLDMWA's authority to execute, deliver, or perform hereunder, or the validity or enforceability of this Agreement; or (ii) the authority of the SLDMWA official executing this Agreement.

5.2 Representations of CMGC. CMGC represents and warrants to the SLDMWA as follows:

- 5.2.1 CMGC is a Delaware corporation duly organized and existing under the laws of the State of California; duly licensed to do business in the State of California; holding a California contractor's Class A license, CSLB License number 433176, and DIR registration number 1000001147; and with the power to enter into this Agreement.
- 5.2.2 CMGC has the full power and authority to enter into, to execute, and to deliver this Agreement, and to perform all of its duties and obligations hereunder, and has duly authorized the execution of this Agreement. The representatives of CMGC executing this Agreement are fully authorized to execute the same.
- 5.2.3 Neither the execution and delivery of this Agreement, nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby, conflicts with or results in a breach or default under the organizational instruments of CMGC or any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order.
- 5.2.4 No action, suit, proceeding, or litigation pending and served on CMGC challenges (i) CMGC's authority to execute, deliver, or perform hereunder, or the validity or enforceability of this Agreement; or (ii) the authority of the CMGC official executing this Agreement. There is no pending or, to the knowledge of CMGC, threatened action or proceeding before any court or administrative agency which will materially adversely affect the ability of CMGC to perform its obligations under this Agreement.

5.2.5 CMGC will perform all work hereunder under the supervision of persons who hold all necessary and valid authority, licenses, registrations, certifications, and skills to perform the Work hereunder, by personnel who are skilled, experienced, and competent in their respective trades or professions and otherwise qualified to perform the Work in accordance with this Agreement.

5.2.6 CMGC and each subcontractor performing Work under this Agreement shall be registered and maintain registration with the Department of Industrial Relations to perform public work pursuant to Section 1725.5 of the Labor Code at all times during the term of this Agreement.

VI. CONTRACT AMOUNT AND PAYMENTS

6.1 Contract Sum. SLDMWA shall pay the CMGC the Contract Sum in accordance with the Contract Documents. The Contract Sum consists of (i) a fixed fee for Preconstruction Services by Task as stated in Agreement Exhibit D, and (ii) for each Task authorized for Construction, the Cost of the Work plus the CMGC's Fee, not to exceed the GMP established for such Task in the applicable GMP Amendment.

6.1.1 Preconstruction Services - Fixed Fee by Task. Preconstruction Services are compensated on a lump-sum, fixed-fee basis by Task as identified in Agreement Exhibit D. The lump sum includes the CMGC's labor, overhead, profit, ordinary reimbursables, meetings, workshops, estimates, constructability reviews, and GMP development for that Task, unless Agreement Exhibit D expressly lists an item as separately reimbursable. Payments shall be made as provided in Article 8 (Payments) of the General Conditions.

6.1.1.1 Directive services outside Agreement Exhibit D will be performed only upon SLDMWA's written authorization and will be compensated by lump-sum amendment or, if directed, on a not-to-exceed basis using agreed rates.

6.1.1.2 Except as the Parties expressly agree in a GMP Amendment, no additional fee or reimbursement is payable for Preconstruction Services performed after execution of a GMP Amendment for that Task.

6.1.2 Construction - GMP by Task. For each Task that proceeds to Construction, the Contract Sum equals the Cost of the Work plus the CMGC's Fee, subject to and capped by the applicable Task's GMP stated in the GMP Amendment for that Task. The GMP Amendment will identify the Construction Documents by title, date, and revision, and will state the agreed basis for General Conditions, allowances, contingencies, and the CMGC's Fee. Acceptance or negotiation of a GMP proposal does not, by itself, authorize Construction. SLDMWA may issue Notices to Proceed at different times for different Tasks, or decline to accept any GMP proposal and procure the Work by other means, without liability beyond payment for authorized Preconstruction Services. Once established, the GMP is the fixed maximum price for construction of the applicable Task, subject to adjustment only as allowed in the Contract Documents.

6.1.2.1 In Accordance with the Task 1 GMP Amendment, the SLDMWA agrees to pay and CMGC agrees to accept, in full payment for the Task 1 Work, Thirty-Seven Million Five Hundred Thousand DOLLARS (\$37,500,000.00) as the fixed maximum price for construction of Task 1 which CMGC provided in its Cost Breakdown Summary(CBS) under Exhibit I, subject to additions and deductions by Change Order(s) and/or quantity deviations on Unit Price work as provided in the Contract Documents.

Progress and final payments shall be in accordance with the Contract Documents.

6.2 CMGC's Fee (Construction Only). The CMGC's Fee compensates the CMGC for overhead and profit not included in the Cost of the Work.

6.2.1 Basis. The CMGC's Fee will be calculated as **18.82%** of the Cost of self-performed Work and of the Cost of Work performed by Subcontractors. The total cumulative overhead and profit of the CMGC and all Subcontractors of any tier shall not exceed twenty percent in the aggregate.

6.2.2 Non-Fee-Bearing Items. The CMGC's Fee is not applied to Performance and Payment Bonds, Builder's Risk Insurance, SLDMWA-provided or SLDMWA-controlled insurance, Preconstruction Services or Preconstruction expenses, or any other non-fee-bearing items listed in the GMP Amendment.

6.2.3 Changes in the Work. For Changes in the Work during Construction, the CMGC's Fee is adjusted up or down based on the net change in the Cost of the Work. For Changes performed on a time-and-material or other cost-reimbursable basis, markups shall not exceed **18.82%** on self-performed work and on work performed by a sub-subcontractor, subject to further limits in the Contract Documents.

6.3 Cost of the Work (Construction Only). "Cost of the Work" means the actual, reasonable, and necessary costs to perform the Work, including amounts charged to CMGC's Contingencies for risks allocated to CMGC under the Contract Documents, determined in accordance with the Contract Documents and the GMP Amendment. It is the Parties' expectation that most Construction items will be paid on Unit Price or Lump Sum pay items, which are fully inclusive of all Cost of the Work and the CMGC's Fee for the covered scope and are adjusted only as provided for Changes. Work not covered by a Unit Price or Lump Sum item will be reimbursed on an actual-cost basis as Cost of the Work.

6.3.1 Included Costs. Included costs are limited to items identified in the Contract Documents and the GMP Amendment, such as site-assigned labor at agreed classifications and fringe, materials and equipment incorporated into the Work, Subcontractor payments, approved consultants, consumables, equipment rentals and mobilization, taxes for which the CMGC is liable, utilities at the Site, required bonds and insurance at agreed rates, and other direct construction expenses approved by SLDMWA.

6.3.2 Excluded Costs. Excluded costs include the CMGC's home-office overhead, corporate administrative costs, capital charges and interest, costs due to the CMGC's or a Subcontractor's negligence or breach, and any other costs expressly listed as non-reimbursable in the Contract Documents.

- 6.3.3 Rates and Records. When rates are used, labor and equipment rates shall be those audited and agreed in writing by SLDMWA or as otherwise set in the Contract Documents. Equipment costs will be based on the Rental Rate Blue Book applicable in California, or as otherwise stated in the GMP Amendment. The CMGC shall keep full, open-book records and provide cost backup acceptable to SLDMWA for audit during the Work and for three years after Final Payment.
- 6.3.4 Unit Price and Lump Sum Items. If any portion of the Work is paid on a Unit Price or Lump Sum basis, the amount due for such Work is the applicable Unit Price or Lump Sum set forth in the Contract Documents, and may only be adjusted under the provisions governing Changes. There shall be no duplication in payment.
- 6.4 Allowances and Contingencies. Allowances and Contingencies are construction items. If needed, they will be established by Task during GMP development performed under Exhibit D (Preconstruction Services) and included in the applicable GMP Amendment Risk Register. They are not part of Preconstruction compensation and will be administered under the Agreement and General Conditions once a GMP is approved. CMGC's Contingency shall be included in the Schedule of Values and reimbursed in the same manner as the Cost of the Work under the procedures set forth in General Conditions Section 9.05.
- 6.4.1 CMGC's compensation for the CMGC's Contingencies shall not cumulatively exceed the applicable amount in the GMP without a written Change Order.
- 6.4.2 CMGC shall not be entitled to any increase in the CMGC's Fee for items reimbursed as part of the CMGC's Contingencies.
- 6.4.3 CMGC shall not be entitled to use the CMGC's Contingencies for payment of liquidated damages under the Contract Documents.
- 6.4.4 CMGC shall provide SLDMWA notice of all anticipated charges against the CMGC's Contingencies and shall provide SLDMWA as part of reports an accounting of the CMGC's Contingencies, including all reasonably foreseen uses or potential uses of the CMGC's Contingencies in the upcoming three months.
- 6.4.5 At the conclusion of the Work, any savings from the CMGC's Contingencies shall remain with the CMGC.
- 6.5 Payments, Retention, and Audit (Construction). Progress and final payments during Construction will be made in accordance with the General Conditions. Retention for Construction will be withheld and released as required by California law and the General Conditions, with substitution of securities permitted as provided by law. SLDMWA's audit rights and the CMGC's record-keeping obligations are as set forth in the General Conditions.
- 6.6 Limits on Contract Sum. The Contract Sum shall not exceed (i) the fixed Preconstruction amount stated in Agreement Exhibit D for Preconstruction Services, or (ii) for each Task, the GMP stated in the applicable GMP Amendment for construction Work of such Task. Any costs incurred in excess of those amounts are at the CMGC's sole risk and expense, without right of reimbursement from SLDMWA.
- 6.7 Taxes. The CMGC shall include in its prices, and shall pay, all sales, use, consumer, excise, and other similar taxes applicable to the Work under California law. SLDMWA is not exempt from California sales or use tax. In accordance with California Revenue and Taxation Code section 107.6, performance of the Work may create a possessory interest; the CMGC is responsible for any personal property or possessory-interest taxes that arise from that interest. If any exemption, deduction, refund, or credit becomes available under applicable law, SLDMWA may direct the CMGC to pursue it. The CMGC shall cooperate, and shall cause its Subcontractors to cooperate, and any refund or credit shall accrue to SLDMWA to the

extent permitted by law.

- 6.8 Open Book Accounting and Audit. The CMGC shall maintain complete and detailed books and records supporting all amounts billed under the Contract. Records shall be kept in accordance with generally accepted accounting principles and the Contract Documents. SLDMWA and its auditors may audit, inspect, and copy such records during the Work and for three years after Final Payment, or longer if required by law. If federal funds are used, the federal awarding agency, the Comptroller General of the United States, and the agency Inspector General may also audit these records for the same period under 2 CFR Part 200. Any agreed multipliers or markups are subject to audit to confirm they were applied as agreed.

VII. KEY PERSONNEL

- A. SLDMWA and CMGC each shall designate an individual who shall be authorized to make decisions on matters relating to this Agreement. The CMGC Representative shall be present at the site of the Work at all times reasonably necessary to ensure that CMGC is complying with all of its obligations under this Agreement. CMGC shall be deemed to have received any direction given to the CMGC Representative. The initial CMGC Representative shall be: Adam McNutt, (916) 248-2287, adam.mcnutt@kiewit.com. The initial SLDMWA Representative shall be: Richard Welsh, (530) 308-9839, rwelshconsultingllc@gmail.com.
- B. Replacing Key Personnel. CMGC shall employ and utilize all Key Personnel identified in its Proposal in the roles and for the time periods specified in the Proposal. CMGC shall not replace any such Key Personnel without prior written request to and approval of SLDMWA. The request shall identify the proposed replacement Key Personnel, including that person's qualifications for the role for which they are proposed. Prior written approval shall not be required where the original Key Person resigns from CMGC's employment or is unavailable due to disability, leave of absence, death, termination, or otherwise. In such case, CMGC shall provide SLDMWA as much notice as reasonably possible of the substitution. Any Key Person shall be replaced with a person of at least equivalent experience, ability, and expertise, who is approved, in writing, by the SLDMWA Representative.
- C. Key Personnel Liquidated Damages. If the CMGC removes or reassigns one of the Key Personnel identified in its Proposal (excluding, however, instances where such personnel become unavailable due to death, disability, or voluntary separation from the employment of the CMGC) without receiving the prior written consent of SLDMWA, the CMGC shall pay to SLDMWA the sum of Twenty-Five Thousand Dollars (\$25,000) as liquidated damages. No liquidated damages will accrue if CMGC fills the position with an Authority-approved equal or better replacement within ten days after written notice. The CMGC acknowledge and agree that the Key Staff Liquidated Damages payable under this Agreement (i) are a genuine pre-estimate of the anticipated or actual loss that will be suffered or incurred by SLDMWA as a result of the applicable event; (ii) do not constitute penalties and are agreed upon and fixed because of the difficulty of ascertaining the exact amount of loss that SLDMWA would suffer in such circumstances; (iii) shall be applicable regardless of the actual loss that SLDMWA sustains; and (iv) will be recoverable from CMGC as a debt due and payable to SLDMWA. This liquidated damage amount shall not bar recovery of any other damages, costs, or expense incurred by SLDMWA in order to successfully complete the Work.

VIII. FUNDING SOURCES

CMGC acknowledges that any Task under this Agreement may be paid for with funds received through State or Federal grants, and that such grants may impose conditions on performance under this Agreement. CMGC further acknowledges that such funding, particularly as applies to Tasks 3 and 4, may be received after the effective date of this Agreement. CMGC agrees to provide such information, documentation, and administrative assistance to SLDMWA as may be reasonably required to secure such funding, and shall take all actions and execute such documents as are required to meet all requirements of such funding programs. CMGC expressly acknowledges that the Federal funding provisions, included in the Special Provisions to this Agreement (Exhibit C hereto) as they may be revised based on changes to Federal requirements, will apply to the extent any Task is funded by Federal grant.

IX. INSURANCE

CMGC shall maintain in full force and effect at all times during the term of the Agreement, at its sole expense, policies of insurance in accordance with General Conditions, Article 3.

X. NO WAIVER OF REMEDIES

- A. Neither the inspection by SLDMWA or its agents, nor any order or certificate for the payment of money, nor any payment for, nor acceptance of the whole or any part of the Work by SLDMWA, nor any extensions of time, nor any position taken by SLDMWA or its agents shall operate as a waiver of any provision of this Agreement or of any power herein reserved to SLDMWA or any right to damages herein provided, nor shall any waiver of any breach of the Agreement be held to be a waiver of any other or subsequent breach.
- B. All remedies provided in this Agreement shall be taken and construed as cumulative; that is, in addition to each and every other remedy herein provided, and SLDMWA shall have any and all equitable and legal remedies which it would in any case have.

XI. LIQUIDATED DAMAGES

This Article applies to construction Work authorized by a GMP Amendment for a Task.

- A. The Project is a critical component of the SLDMWA's ongoing operations, which will be impacted if the Project or any Task is not timely completed. Therefore, if the Project or any Task is not completed within the time required, as such completion date may be revised from time to time, it is understood that the SLDMWA will suffer damage, and that it is impractical and unfeasible to determine the amount of actual damages.
- B. Damages which SLDMWA would suffer in the event of delay include loss of the use of the Project, and, in addition, expenses of prolonged employment of an engineering staff; costs of administration, inspection, and supervision; and the loss suffered by the public within the San Luis & Delta-Mendota Water Authority by reasons of the delay in the completion of the Project to serve the public at the earliest possible time. Moreover, SLDMWA may lose funding if various Tasks are not timely completed and/or if funding anticipated for the Task is not timely spent.
- C. Accordingly, the Parties hereto agree, and by execution of this Agreement, CMGC acknowledges that it understands, has ascertained and agrees, that the amounts set forth herein as liquidated damages shall be presumed to be that amount of damages sustained by the failure of CMGC to complete the entire work within the times specified.
- D. *See also* GENERAL CONDITIONS SECTION 8.10. LIQUIDATED DAMAGES FOR DELAY. Such amount is the actual cash value agreed upon as the loss to SLDMWA resulting from

CMGC's delay.

- E. Liquidated-Damages Rates. The daily liquidated damages amount for each Task, and for any interim milestones if used, will be stated in the applicable GMP Amendment for that Task (the "LD Schedule"). Unless the GMP Amendment states otherwise, liquidated damages accrue per calendar day from the required date of Substantial Completion in the Notice to Proceed for that Task until the date Substantial Completion is achieved. Liquidated damages are a reasonable estimate of SLDMWA's damages at the time the GMP Amendment is executed and are not a penalty.
- F. The provision for liquidated damages shall not act as a limitation on SLDMWA if CMGC abandons the Work, and shall not stop accruing if CMGC abandons the Work. In such event, CMGC shall be liable to SLDMWA for all losses incurred, including but not limited to liquidated damages for delay through completion.
- G. Both the CMGC and the CMGC's surety shall be liable for the total amount of assessed liquidated damages. SLDMWA shall have the right to deduct the amount of accrued liquidated damages from any money due or to become due to the CMGC.

XII. CONSEQUENTIAL DAMAGES

- A. Except as otherwise specified in this Agreement, to the extent permitted by applicable law, neither Party shall be liable to the other for punitive, indirect, or Consequential Damages, whether arising out of breach of this Agreement, tort (including negligence) or any other theory of liability, and each Party releases the other Party from any such liability.
- B. The limitations on CMGC's liability under this Section XII shall not apply to or limit any right of recovery the SLDMWA may have with respect to the following (and CMGC agrees it shall not assert the application of this Section XII against any such losses):
 - 1. any amounts paid or payable by or on behalf of CMGC which are covered by insurance proceeds required to be carried under this Agreement, or for which CMGC was required to provide under this Agreement if coverage is not in force;
 - 2. any losses in connection with any gross negligence, fraud, bad faith, recklessness, criminal conduct, intentional misconduct, or breach of Applicable Law by any CMGC-related entity;
 - 3. CMGC's liability for its indemnity obligations as provided under this Agreement to the extent any such remedies relate to claims, causes of action or losses asserted by or awarded to third parties;
 - 4. CMGC's obligation to pay liquidated damages under this Agreement; and
 - 5. Any losses arising out of any CMGC Hazardous Materials release.
- C. With respect to Warranty Work performed during any Warranty Period, CMGC's liability for consequential damages is limited to \$1,000/day for each day there is an impact to water flow in the DMC due to Warranty Work, up to a maximum of 60 days or \$60,000 for consequential damages. This limit shall not apply to or limit any right of recovery the SLDMWA may have with respect to the following (and CMGC agrees it shall not assert the application of this Section XII against any such losses):
 - 1. To the cost to perform Warranty Work,
 - 2. any amounts paid or payable by or on behalf of CMGC which are covered by insurance proceeds required to be carried under this Agreement, or for which CMGC was required to

provide under this Agreement if coverage is not in force,

3. The need for Warranty Work is the result of, or the performance of the Warranty Work constitutes, gross negligence, fraud, bad faith, recklessness, criminal conduct, or intentional misconduct, or
4. If the losses arise out of any CMGC Hazardous Materials release.

XIII. PERFORMANCE AND PAYMENT BONDS

This Article applies only to construction Work authorized by a GMP Amendment for a given Task.

- A. As a condition of Board approval of the GMP Amendment for that Task, CMGC shall submit two bonds to SLDMWA, in substantially the form attached hereto as Exhibit G. These bonds shall be issued by a Surety Company authorized to do business in the State of California, and shall be maintained from issuance through Final Completion of that Task and the correction period at the expense of the CMGC.
 1. One bond shall be the Performance Bond in the amount of at least one hundred percent (100%) of (i) the GMP for such Task plus (ii) the GMP for any Task previously issued under this Agreement, and shall guarantee the faithful performance of the Contract. The Performance Bond shall be updated each time the Parties execute a GMP Amendment to authorize additional GMPs for the construction of any additional Tasks.
 2. The second bond shall be the Payment Bond required by Part 6, Title 3, Chapter 5, Division Four of the Civil Code of the State of California, commencing with section 9550, and shall be in the amount of at least one hundred percent (100%) of (i) the GMP for such Task plus (ii) the GMP for any Task previously issued under this Agreement. The Payment Bond shall be updated each time the Parties execute a GMP Amendment to authorize additional GMPs for the construction of any additional Tasks.
- B. Any proposed increase in GMP or addition of a new Task GMP, including GMPs for the construction of Tasks 2, 3, and/or 4, shall not operate to release the surety from liability on any bond required hereunder and the consent to make such alterations is hereby given, and any surety on said bonds hereby waives the provisions of Section 2819 of the Civil Code.
- C. Bonds shall only be accepted from an “*Admitted surety insurer*,” which means an insurer to which the Insurance Commissioner has issued a certificate of authority to transact surety insurance in this state. ***CMGC must submit the following with the bonds:*** The original, or a certified copy, of the unrevoked appointment, power of attorney, bylaws or other instrument entitling or authorizing the person who executed the bond to do so.

XIV. LABOR CODE COMPLIANCE

SLDMWA affirmatively identifies this project as a “public work” as that term is defined by Labor Code section 1720, and the project is, therefore, subject to prevailing wages under Labor Code section 1771. As addressed in greater detail in the General Conditions, CMGC and its Subcontractors shall fully comply with all the provisions of the California Labor Code governing the performance of public works contracts including, but not limited to, payment of prevailing wages, limitations on time worked, compliance with apprentice requirements, maintenance of payroll records, posting of wages at job site, and prohibitions against discrimination.

XV. UNFAIR COMPETITION

The following provision is included in this Agreement pursuant to California Public Contract Code §7103.5.

"In entering into a public works contract or a subcontract to supply goods, services, or materials pursuant to a public works contract, the CMGC or Subcontractor offers and agrees to assigning to the awarding body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time the awarding body tenders final payment to the CMGC, without further acknowledgment by the parties."

XVI. MISCELLANEOUS

- A. Assignment. Neither this Agreement nor any rights herein of CMGC shall be assigned without the written consent of SLDMWA first obtained.
- B. No Third-Party Beneficiaries. This Agreement is entered into solely between the SLDMWA and CMGC. There are no third-party beneficiaries, intended, unintended, or otherwise, to this Agreement.
- C. Agreement Binding. This Agreement shall bind and insure to the heirs, devisees, assignees and successors in interest of CMGC and to the successors in interest of SLDMWA in the same manner as if such parties had been expressly named herein.
- D. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of California.
- E. Severability. If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof, unless elimination of such invalid provision materially alters the rights and obligations embodied in this Agreement.
- F. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.
- G. Captions. The captions and headings in this Agreement are for convenience only and in no way define, limit, or describe the scope or intent of any provisions of this Agreement.
- H. Interpretation. The Parties agree and acknowledge that the provisions of this Agreement and its Exhibits have been arrived at through negotiation, and that each Party had a full and fair opportunity to revise portions of this Agreement and its Exhibits and to have such provisions reviewed by legal counsel. Therefore, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement and its Exhibits.

////SIGNATURE PAGE FOLLOWS////

IN WITNESS WHEREOF, the parties hereto have signed the Agreement on the date set forth opposite their names.

Contractors are required by law to be licensed and regulated by the Contractors State License Board, which has jurisdiction to investigate complaints against contractors if a complaint is filed within three years of the date of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors State License Board, P.O. Box 26000, Sacramento, California 95826.

CMGC:

(California Corporations: must be signed by company's 1) CEO or President or 2) by its Vice President *as well as* the Secretary or CFO.)

Date

Tax I.D. Number

Signature

Signature

Print Name

Print Name

Title

Title

**SAN LUIS & DELTA-MENDOTA WATER
AUTHORITY, A Joint Powers Agency:**

Date

ATTEST:

Federico Barajas, Executive Director

CERTIFICATE OF ACKNOWLEDGMENT pursuant to Civil Code, Section 1189, must be provided for CMGC's signature.

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

CERTIFICATE OF ACKNOWLEDGMENT

State of _____

County of _____

On _____, 20__, before me, _____, **Notary Public**, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY of PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

Exhibit A

Section 00 72 00 - GENERAL CONDITIONS

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ARTICLE 1. DEFINITIONS AND PRINCIPLES OF INTERPRETATION

SECTION 1.01. GENERAL.

Where a location is not specified with the words “shown,” “specified,” or “described”, interpret:

1. “Shown” as “shown on the plans.”
2. “Specified” as “specified in the Specifications.”
3. “Described” as “described in the Contract Documents.” “Described” means “shown, specified or both.”

Whenever the following terms, titles, or abbreviations are used in the Contract Documents, the intent and meaning shall be as herein defined.

SECTION 1.01. ABBREVIATIONS

AASHTO	American Association of State Highway and Transportation Officials
AC	Asphalt Concrete
ACI	American Concrete Institute
ADA	Americans with Disabilities Act
AISC	American Institute of Steel Construction
AISI	American Iron and Steel Institute
APA	American Plywood Association
ARB	California Air Resources Board
ASA	American Standards Association
ASME	American Society of Mechanical Engineers
ASTM	American Society for Testing and Materials
AT&T	American Telephone and Telegraph
AWG	American Wire Gage
AWS	American Welding Society
AWWA	American Water Works Association
BMP	Best Management Practice
California-MUTCD	California Manual of Uniform Traffic Control Devices
Cal-OSHA	California Occupational Safety and Health Administration
Caltrans	California Department of Transportation
CDFW	California Department of Fish and Wildlife
CEQA	California Environmental Quality Act of 1970
CL	Centerline
CPM	Critical Path Method
CSI	Construction Specifications Institute
CWA	Clean Water Act
CY	Cubic Yards
DI	Drop Inlet
DIR	California Department of Industrial Relations
DLSE	Division of Labor Standards Enforcement
DWR	Daily Work Report
EA	Each
EP	Edge of Pavement
ESCP	Erosion and Sediment Control Plan
FS	Federal Specifications
IEEE	Institute of Electrical and Electronic Engineers
LF	Linear Feet
LS	Lump Sum
MSDS	Material Safety Data Sheet
NEC	National Electrical Code
NEMA	National Electrical Manufacturers Association
OSHA	Occupational Safety and Health Act

OPRL	DIR, Director's Office of Policy, Research and Legislation
PCC	Portland Cement Concrete
PG&E	Pacific Gas & Electric
PS	Pump Station
QC	Quality Control
QSD	Qualified SWPPP Developer
QSP	Qualified SWPPP Practitioner
SD	Storm Drain or Storm Drainage
SF	Square Foot/Feet
SS	Sanitary Sewer
STA	Station
SWPPP	Storm Water Pollution Prevention Plan
SWRCB	State Water Resources Control Board
TCP	Traffic Control Plan
Title 8	Title 8 (Construction Safety Orders) of the California Code of Regulations
Title 19	Title 19 (Public Safety) of the California Code of Regulations
Title 24	Title 24 (Building Standards) of the California Code of Regulations
TOC	Top of Curb
Typ. or TYP	Typical
UL	Underwriters' Laboratories, Inc.
UBC	Uniform Building Code (latest edition)
UMC	Uniform Mechanical Code (latest edition)
UPC	Uniform Plumbing Code (latest edition)
USA	Underground Service Alert

All references to the specifications, standards, or other publications of any of the above are understood to refer to the current issue as revised or amended at the date of receipt of bids.

Unless otherwise noted, all references to statutes are to the laws of the State of California and/or of the United States as codified in the various specified codes.

SECTION 1.02. DEFINITIONS.

Whenever the following terms, titles, or phrases are used in the Contract Documents, the intent and meaning thereof shall be as defined in this article.

Acceptance, Final Acceptance.

"Acceptance" or "Final Acceptance" shall mean formal action of the SLDMWA in determining that the CMGC's work has been completed in accordance with the Contract Documents and in notifying the CMGC in writing of the acceptability of the Work.

Addendum/Addenda.

"Addendum" or "Addenda" are written documents furnished by the SLDMWA before award of the Contract, interpreting or modifying plans and specifications or answering questions of intended bidders, and shall be incorporated in and are a part of the Contract Documents.

Agreement.

The "Agreement" is the written agreement signed by the SLDMWA and the CMGC covering the Work.

Allowance.

An "Allowance" is an amount of money set aside under the Contract for a special purpose identified in the Contract.

As Approved, Etc.

Where "as directed," "as permitted," "as approved," or words of similar import are used, they shall mean the written direction, permission, or approval of the SLDMWA.

Bid.

“Bid” shall mean the proposal or other offer of the CMGC to do the work in response to the Solicitation Documents, including all documents that comprise a portion of the proposal, and which is the basis for the Contract.

Change in Law.

The enactment, adoption, modification, repeal or other change in any applicable law or regulation that occurs after the applicable GMP Amendment, including:

- (a) any change in the judicial or administrative interpretation of any applicable law or regulation,
- (b) adoption of any new applicable law or regulation; or
- (c) any change in applicable law related to sales tax,

provided such enactment, adoption, modification, repeal or other change is materially inconsistent with applicable laws in effect on the applicable GMP Amendment Effective Date, but excluding:

- (w) any change in or new applicable law or regulation which was passed or adopted but not yet effective as of the applicable GMP Amendment Date;
- (x) a change in any applicable law relating to taxes, except as provided in subsection (c) of this definition;
- (y) a change in applicable law or regulation which was not in force at the applicable GMP Amendment Effective Date but which is substantially the same as an applicable law in force before the applicable GMP Amendment Effective; or
- (z) a change in the way an applicable law or regulation is applied or interpreted as a result of:
 - (i) the failure of CMGC to comply with any applicable law, regulation or any permit; or
 - (ii) any act or omission of CMGC or any default by CMGC.

Change Order.

“Change Order” shall mean a written amendment approved by the SLDMWA that includes, but is not limited to, alterations, deviations, additions to, or deletions from, the Contract which are required for the proper completion of the Work. A Change Order may include adjustments to the Contract Time and/or to the Contract Sum. A fully executed Change Order shall constitute an amendment to the Contract.

Closeout Documents.

Documents as required to meet the requirements of final completion as referenced in Section 7.22 of these General Conditions.

CMGC.

“The CMGC” shall mean the person or persons, partnership, or corporation, who have entered into the Contract for the Work with the SLDMWA or its legal representatives, or successors, assigns, executors, or heirs. The CMGC is required by law to be licensed and will perform work or render services as a prime contractor in or about the construction of the Work.

Completion.

“Completion” is the point in the Project at which the Work, including punch list items and final cleaning, and all required close-out reports and submissions are 100% performed. The date of Completion, for the purpose of determining when the Work is complete, is the completion date stated on any Notice of Completion filed by the SLDMWA. If no Notice of Completion is filed, the date of Completion shall be the date that the Work is complete in accordance with Public Contract Code section 7107(c).

Construction.

“Construction” means all labor and services necessary for the construction and delivery of the Project, and all materials, equipment, tools, supplies and incidentals incorporated or to be incorporated in such construction as described in the Construction Documents. Unless otherwise expressly stipulated, the CMGC shall perform all Work and provide and pay for all materials, labor, tools equipment and utilities, including, but not limited to, light, water and power, necessary for the proper execution and completion of the Project pursuant to the Construction Documents.

Construction Change Directive (CCD).

“Construction Change Directive” (“CCD”) or “Directive” or “Field Directive” shall mean a written order to the CMGC, issued after execution of the Contract, signed by the SLDMWA or the SLDMWA’s Representative directing a change in the Work and stating a proposed basis for adjustment, if any, in the Contract Sum or Contract Time, or both, and which shall be used in the absence of total agreement with the CMGC on the terms of a Change Order or when time does not permit processing of a Change Order prior to implementation of the change.

Construction Documents.

The “Construction Documents” shall include the Plans and Specifications including any addenda, these General Conditions, Change Orders, Interpretations, Directives, Supplemental Drawings, the CMGC’s Guarantee Form, Instruction Bulletins, the Performance Bond and the Payment Bond, and other documents as defined in the Contract to be prepared and/or assembled by Engineer and the SLDMWA, with input from CMGC during Preconstruction Services, to define the Work to be constructed as part of the Project.

Contract.

The “Contract” is the entire binding agreement and contract between the SLDMWA and CMGC relating to the Project, including the Agreement, and all documents incorporated into the Agreement by reference and all Contract Documents.

Contract Documents.

The “Contract Documents” shall include the Request for Proposals, Addenda, the Bid, Escrow Agreement for Security Deposits in Lieu of Retention (if used), the Agreement, the Performance Bond, the Payment Bond, Guarantee Form, the General Conditions, the Special Provisions, Specifications, Exhibits, Permits from other agencies that may be required by law, the Contract Drawings and Plans, Storm Water Pollution Prevention Plan (whether prepared by the SLDMWA or the CMGC), the Notices to Proceed, the Contract Schedule, and any and all supplemental agreements amending or extending the Work contemplated and which may be required to complete the Work in an acceptable manner. Supplemental agreements are written agreements covering alterations, amendments or extensions to the Contract Documents and include Change Orders, Construction Change Directives, Field Directives, Field Orders, Bulletins and supplemental drawings.

Contract Drawings or Plans.

The “Contract Drawings” (sometimes referred to as “Drawings” or “Plans”) are the graphic and pictorial portions of the Contract Documents, showing the design, location and dimensions of the Work, generally including plans, elevations, sections, details, schedules and diagrams. This information may be developed and stored in a 3D or 4D model of the Project. Once approved, all such drawings are incorporated into and become a part of the Contract Documents.

Contract Schedule.

The “Contract Schedule” is the schedule produced by the CMGC in response to the requirements of the Contract Documents.

Contract Sum.

“Contract Sum” is the total price for all Work under the Contract, including any GMP under a GMP Amendment and compensation for Preconstruction Services, including any additions or subtractions via Change Orders.

Contract Time.

“Contract Time” shall mean the period specified for completion of the Work, as set forth in the Contract, reflected in any Notice to Proceed, and adjusted by any Change Order issued pursuant to the Contract Documents.

Delegated Design.

“Delegated Design” means the design of a specific component or system of the Permanent Work that the Contract Documents assign to the CMGC to complete to stated performance and interface criteria. The CMGC shall engage a Specialty Engineer who is a Professional Engineer licensed in California to prepare and seal the calculations, drawings, and submittals for the Delegated Design. Delegated Design covers only the assigned component or system. It does not relieve the Engineer of responsibility for the overall design shown in the Contract Documents. Review, comment, or approval by the Authority or the Engineer does not transfer responsibility for the Delegated Design, the CMGC’s means and methods, or safety.

Day.

Unless otherwise expressly identified as a “working day” or “business day,” “Day” shall mean every day of 24 hours shown on the calendar. When the Contract Time is stated in Days, every Day will be charged toward the Contract Time.

Engineer.

The “Engineer” is a person or persons, firm, partnership, joint venture, corporation, agency, or combination thereof or authorized representative thereof, acting in the capacity designated by the SLDMWA. For Work affecting the Delta-Mendota Canal, the Engineer is the United States Bureau of Reclamation Technical Services Center. The Engineer issues directions to the CMGC through the SLDMWA. When the Contract Documents require approval by the Engineer, the request will be transmitted through SLDMWA, the approval will be issued by the Engineer, and SLDMWA will record the approval. Contractual approvals, including Change Orders, Construction Change Directives, and payments, are issued by SLDMWA.

Equal (as in “or equal”).

“Equal” shall mean a system, process, product or material which is similar in all material respects to that shown or specified but produced by a manufacturer not listed in the specification. See also: Substitution.

Guaranteed Maximum Price (GMP)

“Guaranteed Maximum Price” or “GMP” shall mean the amount proposed by the CMGC, when agreed upon by the SLDMWA Board, establishing the total price for construction of the Work for a particular Task for which a NTP is issued. Each Task for which a NTP is issued shall have a separate NTP for construction of the Work for such Task.

Hazardous Waste.

“Hazardous Waste” shall have the meaning provided in Section 1004 of the Solid Waste Disposal Act (42 USC Section 6903) as amended from time to time.

Hazardous Materials.

Includes:

- (aa) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. § 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq.; the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.; the Clean Water Act, 33 U.S.C. § 1251 et seq.; the California Hazardous Waste Control Act, Health and Safety Code § 25100 et seq.; the California Hazardous Substance Account Act, Health and Safety Code § 25330 et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code § 25249.5 et seq.; Health and Safety Code § 25280 et seq.; the California Hazardous Waste Management Act, Health and Safety Code § 25170.1 et seq.; Health and Safety Code § 25501 et seq.; or the California Porter-Cologne Water Quality Control Act, Water Code § 13000 et seq., all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect;
- (bb) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court;
- (cc) notwithstanding Health and Safety Code § 25317, any petroleum or crude oil excluding de minimis amounts and excluding petroleum and petroleum products contained within regularly operated motor vehicles;
- (dd) any asbestos or asbestos-containing materials in structures and or other improvements on or in the Site (other than mineral asbestos naturally occurring in the ground); and
- (ee) any other substances, product, waste or material defined, or to be treated or handled, as a Hazardous Material pursuant to provisions of this Agreement.

Inspector.

The “Inspector” or “Project Inspector” shall mean the person or persons authorized to act as agent(s) for the SLDMWA in the inspection of the Work.

Instruction Bulletin or Bulletin.

“Instruction Bulletins” or “Bulletins” are supplemental drawings, clarifications, instructions, explanations or interpretations which may be issued by the Engineer as necessary from time to time pursuant to Article 5 to make clear or define in greater detail the intent of the Contract Drawings and Specifications. There may be a change in Contract Sum or Contract Time involved with the work shown in the Bulletin.

Known or Suspected Hazardous Materials.

Hazardous Materials that are known or reasonably suspected to exist on the site of any Task as of the date of any GMP Amendment for such Task from information or analysis contained or referenced in the Reference Documents, or Hazardous Materials that would have become known to CMGC by undertaking reasonable investigation before the applicable GMP Amendment date.

Legal Holidays.

Legal Holidays shall include the following holidays designated by the SLDMWA: New Year's Day, Martin Luther King Jr. Day, President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, the day after Thanksgiving, and Christmas Day.

Notice to Proceed.

"Notice to Proceed" or "NTP" is the written authorization by the SLDMWA to the CMGC specifying the date the Work of any Task may begin and any conditions regarding the beginning of the Work.

Preconstruction Services

"Preconstruction Services" shall mean all services to be performed by the CMGC for the amounts stated in the Bid, as set forth in detail on Exhibit D to the Agreement.

Progress Schedule.

The Progress Schedule is the CMGC's schedule indicating the current status of the Work and the projected activities, tasks, and durations planned to complete the Work in accordance with the Contract Time of Completion dates.

Project.

"Project" means the overall undertaking described in the Contract Documents for which the Work is to be performed. The Project may include Preconstruction Services, Construction, or both, and may be delivered in one or more phases or under one or more separate contracts.

Proposed Change Order (PCO).

A "Proposed Change Order" ("PCO") is a document issued by the CMGC proposing a change to the Work and stating a proposed basis for adjustment, if any, in the Contract Sum or Contract Time, or both. A PCO shall be used by the CMGC to respond to a Request for Proposal, a Request for Information or an Instructional Bulletin. A PCO is not effective to authorize the proposed change to the Work, to the Contract Sum or to the Contract Time unless it is accepted in writing by the SLDMWA.

Substitute Tariff Material.

A material or product that: (a) is functionally and technically equivalent to the originally specified Tariff Material, (b) is compliant with applicable laws, permits and the requirements of the Contract Documents, (c) can be procured within the necessary timeframes to avoid delay to the Contract Time, and (d) is manufactured in a country not subject to the applicable Tariff Event, including a country subject to a smaller Tariff.

Tariff.

A federal tariff imposed by the United States on the importation of Tariff Material.

Tariff Event.

For any Task (a) the implementation, taking effect after the GMP Amendment Effective Date for such Task, of a new Tariff; or (b) modification or elimination, taking effect after the GMP Amendment Effective Date for such Task, of an existing Tariff. A Tariff that is in effect or has been announced as of the GMP Amendment Effective Date of a Task (whether or not yet implemented) shall not be considered a Tariff Event unless it is later modified or eliminated.

Tariff Markup.

Following a Tariff Event, the maximum permitted markup for each vendor charging Tariffs on Tariff Materials to compensate CMGC for costs associated with the Tariff Event, including efforts to mitigate the Tariff Event and evaluate Substitute Tariff Materials as described in Section 8.14, equal to the lesser of [10%] of the increased Tariffs

actually paid on the Tariff Materials due to the Tariff Event.

Tariff Material.

The imported materials and supplies below:

- Floating access materials
- Filter Fabric / Geotextile
- Equipment purchases, such as Air Tuggers
- Outside Equipment Rentals
- Equipment maintenance and repair parts
- Environmental Exclusion Fence
- Silt Fence
- Sika Lockstop Mastic Waterstop
- Elastomeric Joint Sealant
- Safety Cable, Floats and Mounting Hardware
- Galvanized & Painted Steel Handrail
- Concrete (possible Cement or Mirco Fiber impacts)
- Drainage Pipe (HDPE)

Unknown Hazardous Materials.

Hazardous Materials in, on or under the site as of the date the SLDMWA provides access to the site, excluding:

- (a) Known or Suspected Hazardous Materials;
- (b) Hazardous Materials resulting from an CMGC's Hazardous Materials release;
- (c) quantities of Hazardous Materials that do not trigger a reporting requirement under applicable law; or
- (d) any Hazardous Materials on or affecting property outside of the site, except to the extent such work is legally required to be taken with Hazardous Materials management required within the site.

Record Drawings.

"Record Drawings" are drawings prepared by the CMGC that document changes to, additions to, or deductions from the Plans and that represent the Work as constructed, including, but not limited to existing utilities found during construction of the Work.

Request for Information (RFI).

"Request for Information" ("RFI") is a document issued by the CMGC seeking clarification and/or additional information regarding an aspect of the Work. An RFI is not to be used to request materials/equipment substitutions or value engineering/cost reduction incentive proposals. The response to the RFI does not constitute authorization or direction to proceed with any changed or additional work. Changed or additional work must be separately authorized by the SLDMWA.

Request for Proposal.

A "Request for Proposal" or "RFP" is the name given to a document issued by the SLDMWA Representative requesting pricing information and/or an adjustment in Contract Time for a described scope of work. An RFP is not a Change Order, a Directive, or a direction to proceed with the scope of work described in the RFP. The CMGC's response to the RFP shall be in the form of a Proposed Change Order.

Schedule of Values.

"Schedule of Values" is the statement furnished by the CMGC to the SLDMWA reflecting the portions of the Contract Sum allotted for the various parts of the Work, separated by Task, for each work activity contained on the Contract Schedule. Unless otherwise indicated in the Specifications, the total of the Schedule of Values shall equal the GMP, including all labor, material, equipment, overhead, and profit. The Schedule of Values is the basis for reviewing the CMGC's application for progress payments.

SLDMWA.

"SLDMWA" shall mean the San Luis & Delta-Mendota Water Authority. References in the Contract Documents

to "SLDMWA" or "Authority" are interchangeable and refer to the same entity.

SLDMWA Representative.

"SLDMWA Representative" shall mean the SLDMWA's designated agent, which may be a third-party consultant, engaged to perform all functions delegated to the SLDMWA Representative by the Contract Documents. The SLDMWA Representative may or may not be a Construction Manager or Project Manager. The SLDMWA Representative will be the CMGC's primary contact during construction of the Project.

Solicitation Documents.

"Solicitation Documents" shall mean the Request for Proposals, proposal form, subcontractor listing form, non-collusion affidavit, Iran Contracting Act certification, and all Contract Documents available at or before the Bid due date.

Special Provisions.

"Special Provisions" include the requirements for federal grant projects, as well as any Special Provisions that may be developed during the preconstruction phase to include specific clauses setting forth conditions or requirements peculiar to the Work and supplementary to the General Conditions.

Specifications.

"Specifications" include any Special Provisions developed during the preconstruction phase, General Requirements, and Technical Specifications applicable to the Work.

Subcontractor.

"Subcontractor" shall mean each person or firm who is required by law to be and who is licensed to and will perform work, labor, or render services to the CMGC in or about the construction of the Work, or who, under subcontract to the CMGC, fabricates and installs a portion of the work or improvement. "Subcontractor" shall include all persons or firms within the authority of the Subletting and Subcontracting Fair Practices Act, Chapter 2 of Division 5, Title I of

the Public Contract Code, commencing with Section 4100. "Subcontractor" does not include a material supplier, unless expressly stated. Subcontractors may be identified in the Bid, or may be identified as part of determining the GMP during Preconstruction Services.

Substantial Completion.

"Substantial Completion" is the stage in the progress of the Work when the Work or Task is sufficiently complete in accordance with the Contract Documents so the SLDMWA can utilize the Work for its intended use, and only minor corrective Work remains to be performed, all required approvals, certificates of occupancy and other sign-off from any other public agencies with jurisdiction have been obtained, (provided such approvals are not delayed as a result of causes unrelated to CMGC's or its Subcontractors', sub-subcontractors', or suppliers' performance or failure to perform the Work or to satisfy its obligations under the Contract Documents), and CMGC has cleaned up and removed all equipment, tools and other materials from the Work area. CMGC shall secure and deliver to the SLDMWA written warranties and guaranties from its Subcontractors, sub-subcontractors and suppliers bearing the date of Substantial Completion or some other date as may be agreed to by the SLDMWA and stating the period of warranty as required by the Contract Documents.

Substitution.

"Substitution" shall mean a system, process, product or material similar in form or function and equal in quality and performance to that shown or specified, but differing in some essential element, e.g., chemical composition, mechanism of action, surface finish, dimensions, durability, electrical or mechanical or plumbing requirements. See also: Equal.

Technical Specifications.

"Technical Specifications" are the provisions of the Specifications that describe the technical aspects of the Work, including all technical references contained therein.

Temporary Works.

"Temporary Works" means all temporary structures, systems, utilities, and procedures needed to construct the Work and to protect the Project, workers, and the public. Temporary Works include falsework, formwork, shoring, bracing, scaffolding, cofferdams, dewatering, access trestles, working platforms, temporary bridges, traffic control, haul roads, staging areas, temporary supports and underpinning, temporary power and water, weather protection, and environmental controls. Temporary Works are designed, furnished, installed, and removed by the Contractor, and are not part of the Permanent Work unless the Contract Documents state otherwise. The Contractor is solely responsible for the adequacy, safety, and performance of the Temporary Works, and shall use a Professional Engineer licensed in California where required by law or by the Contract Documents. Review, comment, or approval by SLDMWA or the Engineer does not transfer that responsibility.

Time.

"Time" if stated as a number of days, calculated using calendar days, unless otherwise specified, and will include Saturdays, Sundays, and legal holidays. However, if the last day falls on a Saturday, Sunday, or legal holiday, then the period shall include the next working day.

Work.

The "Work" shall mean all obligations and/or actions which the CMGC is contractually required to fulfill and/or perform as specified, indicated, shown, contemplated, or implied in the Contract, including but not limited to (1) all Preconstruction Services, (2) all alterations, amendments, or extensions made by Change Order or other written directives or directives of the SLDMWA; (3) furnishing of all materials, supplies, equipment, tools, labor, transportation, supervision, and all incidentals necessary to perform all construction required by the Contract; (4) all other tasks, duties and obligations required by the Contract; and (5) closing documents for the Contract such as complete Record Drawings and submission of all manuals.

Working Day.

"Working Day" shall mean any day except: (a) Sundays, and Legal Holidays; (b) days on which the CMGC is specifically required by the Contract Documents or by law to suspend construction operations; or (c) days on which

the CMGC is prevented from proceeding with the current controlling operation or operations of the Work for at least five (5) hours per day due to inclement weather, or conditions resulting immediately therefrom.

Working Drawing.

“Working Drawings” detail a particular item of work and the manner in which it is to be accomplished or performed. Working Drawings are prepared by the CMGC as a submittal or a portion of a submittal and may be specifically requested by the SLDMWA or required in the Contract or a Field Directive or other written directive.

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ARTICLE 2. BID REQUIREMENTS AND CONDITIONS

SECTION 2.01. BID FORM.

The Contract was awarded based on the CMGC's Bid submitted on the SLDMWA Proposal Form.

SECTION 2.02. RELIANCE ON THE BID.

By submission of a Bid, and as represented in the Bid, the CMGC acknowledged acceptance of the nature and location of the Work, the general and local conditions, conditions of the site, the character, quality and scope of work to be performed, the availability of labor, electric power, water, the kind of surface and subsurface materials on the site, the materials and equipment to be furnished, and all requirements of the Contract or other matters which may affect the Work. Any failure of the CMGC to become acquainted with all of the available information concerning conditions does not relieve the CMGC from the responsibility for estimating properly the difficulties or cost of the Work. SLDMWA relied on this representation in awarding the Contract.

SECTION 2.03. NOT USED.

SECTION 2.04. SUBSURFACE CONDITIONS.

Where investigations of subsurface conditions have been made by the SLDMWA with respect to subsurface conditions, utilities, foundation, or other structural designs, and that information is shown in the Plans, it represents only a statement by the SLDMWA as to the character of materials which have actually been encountered by the SLDMWA's investigation. This information is only included for the convenience of Bidders.

Investigations of subsurface conditions are made for the purpose of design only. The SLDMWA assumes no responsibility with respect to the sufficiency or accuracy of borings or of the log of test borings or other preliminary investigations or of the interpretation thereof. There is no guaranty, either expressed or implied, that the conditions indicated are representative of those existing throughout the Work, or any part of it, or that unanticipated conditions may not occur. When a log of test borings is included in the Plans, it is expressly understood and agreed that said log of test borings does not constitute a part of the Contract. The log of test borings represents only an opinion of the SLDMWA as to the character of the materials to be encountered, and is included in the Plans only for the convenience of the Bidders. The CMGC must satisfy itself through its own investigations as to conditions to be encountered.

SECTION 2.05. CMGC/SUBCONTRACTORS REQUIRED TO BE LICENSED AND REGISTERED.

The CMGC shall be licensed throughout the performance of Project Work under the provisions of Chapter 9, Division 3, of the Business and Professions Code to do the type of work contemplated in the Project, and shall be skilled and regularly engaged in the general class or type of work called for under the Contract.

All Subcontractors engaged to perform portions of the Work shall be licensed throughout performance of Project Work under the provisions of Chapter 9, Division 3, of the Business and Professions Code to do the type of work for which they are subcontracted, and shall be skilled and regularly engaged in the general class or type of work called for under their subcontracts.

The Project is a public works project within the requirements of Division 2, Part 7, Chapter 1 of the California Labor Code. The CMGC and each listed Subcontractor is required to be registered pursuant to Labor Code section 1725.5 throughout performance of Project Work. Failure of the CMGC to be registered at any time during Contract performance shall be a material breach and grounds for terminating the Contract. An unregistered Subcontractor will not be permitted to work on the Project and CMGC may be required to substitute, at its cost and with no adjustment in the Contract Sum, an unregistered Subcontractor with a registered Subcontractor.

SECTION 2.06. COMPETENCY OF CMGC.

By submitting its Bid, the CMGC represented that it has the requisite experience and ability, and has sufficient capital, facilities, and plant to enable the CMGC to prosecute the Work successfully and promptly, and to complete the Work within the time stated in the Contract. The SLDMWA relied on this representation in awarding the Contract.

If any question as to the CMGC's ability or capacity to perform arises during Contract performance, the SLDMWA may request, and CMGC agrees to provide, relevant evidence that the CMGC, and/or its key personnel assigned to the Project, and/or the Subcontractor(s), has sufficient experience and resources to satisfactorily perform the Work.

SECTION 2.07. NOT USED.

SECTION 2.08. SUBCONTRACTORS.

Except as noted otherwise in the Contract Documents, the CMGC shall perform, with the CMGC's own organization and with workers under the CMGC's immediate supervision, work of a value not less than twenty-five percent (25%) of the value of the applicable GMP, as the GMP may be amended, less "Specialty Items." "Specialty Items" may be performed by subcontract and the cost of any "Specialty Items" so performed must be identified in the proposed GMP for any Task, prior to approval by the SLDMWA Board. The CMGC is obligated to use each approved first tier Subcontractor performing more than one-half of one percent of the construction Work, whether listed in the Bid or listed in the proposed GMP for any Task, for the portion of work for which the Subcontractor was listed, unless and until the CMGC requests and receives authority from the SLDMWA to substitute the listed Subcontractor in accordance with the requirements of the Subletting and Subcontracting Fair Practices Act, Public Contract Code sections 4100 *et seq.* (the "Act").

If after the award of the Contract or approval of the GMP for any Task, the CMGC subcontracts any portion of the Work, except as provided in Section 4107 or 4109 of the Act, the CMGC shall be subject to the penalties specified in Section 4111 of the Act.

Pursuant to Public Contract Code Section 6109, a CMGC may not perform work with a Subcontractor who is ineligible to perform work on public works projects pursuant to Labor Code Section 1777.1.

The CMGC shall include provisions in every subcontract and/or purchase order that the Contract between the CMGC and the SLDMWA is part of the subcontract or purchase order, and that all terms and provisions of the Contract are incorporated in the subcontract or purchase order. Copies of all subcontracts and purchase orders shall be available to the SLDMWA upon written request.

SECTION 2.09. ADDENDA.

Any correction of any material discrepancies in, or material additions to/omissions from, the Plans, Specifications, or other Contract Documents, or any interpretation thereof, made during the bidding period by an Addendum issued by the SLDMWA shall continue to be binding throughout performance of Project Work.

SECTION 2.10. ASSIGNMENT OF ANTITRUST ACTIONS.

In accordance with Public Contract Code Section 7103.5(b), by execution of the Contract Documents, or any subcontract awarded by the CMGC, the CMGC and any Subcontractor offers and agrees to assign and hereby does assign to the SLDMWA all rights, title, and interest in and to all causes of action the CMGC or Subcontractor may have under Section 4 of the Clayton Act (15 USC Section 15) or under the Cartwright Act (Chapter 2 of Part 2 of Division 7 of the Business and Professions Code, commencing with Section 16700), arising from purchases of goods, services, or materials pursuant to this public works contract or subcontract. This assignment shall be made and shall become effective at the time the SLDMWA tenders final payment to the CMGC for each Task, without further acknowledgment by the parties.

SECTION 2.11. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, PROPOSED DEBARMENT OR SUSPENSION AND OTHER RESPONSIBILITY MATTERS.

As stipulated in the Certification Regarding Debarment, Suspension, Proposed Debarment or Suspension submitted with the Bid, the CMGC certified, to the best of its knowledge and belief, except as expressly disclosed the referenced Certificate, that the CMGC and/or any of its Principals (as defined in the Certification):

1. Was not debarred, suspended, proposed for debarment or suspension, or declared ineligible for award of the contract by any Federal, State, or local agency.
2. Had not, within a three-year period preceding the Bid, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) contract or subcontract; violation of Federal or State antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property.

3. Was not indicted for, or otherwise criminally or civilly charged by a government entity with, commission of any of the offenses enumerated in Item 2. above.
4. The CMGC had not, within a three-year period preceding the Bid, had one or more contracts terminated for default by any Federal, State, or local agency.

The CMGC shall provide immediate written notice to the SLDMWA if the CMGC learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

The Certification was a material representation of fact upon which SLDMWA relied when awarding the Contract. If it is later determined that the CMGC knowingly rendered an erroneous certification, in addition to other remedies available to the SLDMWA, the SLDMWA may terminate the Contract for default.

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ARTICLE 3. BONDS AND INSURANCE

SECTION 3.01. PERFORMANCE AND PAYMENT BONDS.

Prior to beginning construction work, CMGC shall furnish a Performance Bond and a Payment Bond in the forms attached to the Agreement as Exhibit G. Bonds shall be executed by a surety company authorized to do business in the State of California and listed in the current Federal Department of Treasury Circular 570. The bonds must include the original, or a certified copy, of the unrevoked appointment, power of attorney, bylaws or other instrument entitling or authorizing the person who executed the bond to do so.

The CMGC shall provide to SLDMWA local contact information for the surety on the Performance and Payment Bonds, including a local contact name, telephone number, email address, and address to which legal notices may be sent.

SECTION 3.02. Performance Bond.

The Performance Bond, to guarantee the performance of all covenants and stipulations of the Contract, shall be on the form provided by the SLDMWA and shall be in a sum not less than one hundred percent (100%) of (i) the GMP for such Task plus (ii) the GMP for any Task previously issued under this Agreement. The Performance Bond amount shall be updated each time the Parties execute a GMP Amendment to include the GMP for construction of any additional Task.

SECTION 3.03. Payment Bond.

The Payment Bond, to guarantee the payment of wages and of bills contracted for materials, supplies, or equipment used in the performance of the Contract, shall be on the form provided by the SLDMWA, which in all respects complies with Civil Code sections 3247-3252, inclusive, and shall be in a sum not less than one hundred percent (100%) of (i) the GMP for such Task plus (ii) the GMP for any Task previously issued under this Agreement. The Payment Bond amount shall be updated each time the Parties execute a GMP Amendment to include the GMP for construction of any additional Task.

SECTION 3.04. NOTIFICATION OF SURETY COMPANIES.

The surety company shall be familiar with all the provisions and conditions of the Contract, including without limitation that the Contract includes up to four separate Tasks, each of which would include an additional GMP for each such Task. It is understood and agreed that the surety company waives notice of change, extension of time, alteration or addition to the terms of the Contract or to the work to be performed thereunder or to the specifications accompanying the same, or any other act or acts by the SLDMWA or the SLDMWA's authorized agents under the terms of the Contract; and failure to so notify the surety company of changes shall in no way relieve the surety company of its obligations under the Contract. Any alteration or alterations made in any provision of this Contract shall not operate to release any surety from liability on any bond required hereunder and the consent to make such alterations is hereby given, and any surety on said bonds hereby waives the provisions of Section 2819 of the Civil Code.

SECTIONS 3.05 through 3.08. NOT USED.

SECTION 3.09. INSURANCE.

The CMGC shall procure, maintain, and keep in force at all times during the term of the Contract and any guarantee period (or during such other period specified below), with insurance companies acceptable to the SLDMWA and at the CMGC's sole expense, the insurance specified below. Nothing contained in these insurance requirements is to be construed as limiting in any way the extent to which CMGC or any Subcontractor may be held responsible for payment of damages resulting from its or their operations under this Contract.

Where insurance is required to include an "additional insured" endorsement, "Additional Insured" shall mean the SLDMWA, the Construction Manager (if any), and each of their officers, officials, directors, trustees, agents, employees, and volunteers, Engineer, the Construction Manager (if any), and each of their officers, officials, directors, trustees, agents, employees, and volunteers.

SECTION 3.09A. Commercial General Liability.

CMGC shall provide and require its Subcontractors to provide Commercial General Liability insurance including, but not limited to, protection for premises and operations; claims of bodily injury and broad form property damage

liability; personal and advertising injury liability; contractual liability applicable to the CMGC's assumed liability under the Contract; coverage for explosion, collapse, subsidence, and underground hazards; and products and completed operations liability. Coverage shall be at least as broad as "Insurance Services Office Commercial General Liability Coverage Form CG 0001" (occurrence). The policy shall be maintained in full force and effect at all times during prosecution of the Work and for no less than ten (10) years following SLDMWA's acceptance of the Work. The limits of liability shall be not less than:

Each Occurrence	Five Million Dollars (\$5,000,000) combined single limits for Bodily Injury and Property Damage
Personal and Advertising Injury	One Million Dollars (\$1,000,000)
Products and Completed Operations Aggregate	Five Million Dollars (\$5,000,000) combined single Limits for Bodily Injury and Property Damage
General Aggregate	Ten Million Dollars (\$10,000,000) combined single limits for Bodily Injury and Property Damage
Fire Damage	One Hundred Thousand Dollars (\$100,000)

The CMGC shall procure and maintain Products and Completed Operations Coverage with a carrier acceptable to the SLDMWA through the expiration of the patent deficiency in the statute of repose set forth in the Code of Civil Procedure section 337.1, if such period is greater than three (3) years.

"Modified occurrence" or "claims made" policies are not acceptable.

The policy or policies shall include duty to defend **in addition to** (without reducing) the limits of the policy. The policy shall include coverage for all independent contractors, and shall include "action over" coverage.

If the Work is to be performed within fifty (50) feet of any railroad, CMGC's policy shall be endorsed to delete the exclusion for work performed within fifty (50) feet of a railroad.

Additional Insured endorsements must be furnished, naming each as an Additional Insured on a primary and noncontributing basis. Coverage for Additional Insureds shall be provided via a combination of ISO forms CG 20 37 12 19 and CG 20 10 12 19. The primary and noncontributory endorsement shall be at least as broad as ISO form CG 20 01.

SECTION 3.09B. Automobile Liability.

CMGC shall provide and require its Subcontractors to provide Automobile Liability insurance providing protection against claims of bodily injury and property damage arising out of ownership, operation, maintenance, or use of owned, leased, hired, and non-owned automobiles as well as trucks and trailers or semi-trailers, including any machinery or apparatus attached thereto. Coverage shall be at least as broad as "Insurance Services Office Business Auto Coverage Form CA 0001," symbol 1 (any auto) and shall include, without limitation, contractual liability coverage. Additional Insured endorsements must be furnished naming each on a primary and noncontributing basis. The Additional Insured endorsement shall be at least as broad as ISO form CA 20 48 02 99. The limits of liability shall not be less than:

Bodily Injury and Property Damage Combined Single Limit	One Million Dollars (\$1,000,000)
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If CMGC transports any hazardous materials, substances, or waste, the automobile liability policy shall include endorsement forms MCS-90 and ISO CA 99 48 or equivalent endorsements providing coverage for environmental and pollution claims.

SECTION 3.09C. Workers' Compensation.

In accordance with the provisions of Article 5, Chapter 1, Part 7, Division 2 (commencing with Section 1860) and Chapter 4, Part 1, Division 4 (commencing with Section 3700) of the California Labor Code, the CMGC and

Subcontractors are required to secure the payment of compensation to their employees and, for that purpose, to obtain and keep in effect adequate Workers' Compensation Insurance.

CMGC shall provide and require its Subcontractors to provide Workers' Compensation insurance, with coverage as required by the State of California (unless the CMGC is a qualified self-insurer with the State of California), and Employers' Liability coverage. The limits of Employers' Liability shall not be less than:

Each Accident	One Million Dollars (\$1,000,000)
Disease Each Employee	One Million Dollars (\$1,000,000)
Disease Policy Limit	One Million Dollars (\$1,000,000)

The Workers' Compensation policy required hereunder shall be endorsed to state that the Workers' Compensation carrier waives its right of subrogation against the SLDMWA, its officers, officials, directors, employees, agents, authorized representatives or volunteers.

In the event the CMGC is self-insured, the CMGC shall furnish a Certificate of Permission to Self-Insure by the Department of Industrial Relations Administration of Self-Insurance, Sacramento. CMGC shall provide evidence of waiver of its right of subrogation against the SLDMWA, its offices, officials, employees, agents, or volunteers as a self-insurer.

SECTION 3.09D. Excess or Umbrella Liability.

CMGC must carry, maintain and keep in force at all times during the term of the Contract, at the CMGC's sole expense, an Excess or Umbrella Liability policy in the amount of \$10 Million Dollars (\$10,000,000).

SECTION 3.09E. CMGC's Equipment.

The CMGC, and each of its Subcontractors, shall separately insure its own equipment for loss and damage. The CMGC's Property and Inland Marine policies shall include, or be endorsed to include, a waiver of subrogation against the SLDMWA, its officers, officials, directors, employees, agents, authorized representatives and volunteers which might arise by reason of damage to the CMGC's property or equipment (owned, leased, or borrowed) in connection with work performed under this Contract by the CMGC.

SECTION 3.09F. Railroad Protective Liability.

The CMGC shall procure, maintain, and keep in force at all times during the term of the Contract, at the CMGC's sole expense, Railroad Protective Liability insurance with limits of liability as set forth in the Contract Documents.

SECTION 3.09G. Builder's Risk Insurance.

The CMGC shall procure, maintain, and keep in force at all times during any Task, beginning upon issuance of a notice to proceed for such Task until the earliest of (i) Substantial Completion of the Work for the applicable Task, (ii) the Work being placed into use for its intended purpose by the SLDMWA, or (iii) the earlier termination of the Contract, at the CMGC's sole expense, Builder's Risk insurance with limits of liability equal to one hundred percent (100%) of the full replacement cost of the Work, without deduction for depreciation, and shall also provide coverage for "soft costs" such as but not limited to design and engineering fees and inspection costs caused by an insured peril, up to a maximum total for all soft costs of \$750,000. The Builder's Risk Insurance may contain sub-limits not less than the following:

Debris removal -

\$250,000; Pollution Clean-up cost - \$25,000.

Coverage shall be written on a Replacement Cost basis without application of coinsurance and shall cover the Project site against losses included in perils usually included in a "Special Form" policy format. In addition, the policy shall include:

- a. Loss that ensues from fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, smoke damage, damage by aircraft or vehicles, vandalism and malicious mischief, theft, collapse, and flood, without excluding damages resulting from design error, defective materials, or faulty workmanship.
- b. Collapse, falsework, and temporary buildings.

- c. Debris removal, including demolition as may be made reasonably necessary by the application of any law, ordinance, or regulation.
- d. Mechanical breakdown or electrical damage, including start up and testing, magnetic disturbance and changes in temperature or humidity disturbance, and changes in temperature or humidity.
- e. Reasonable compensation for engineers, and other design professionals required as a result of such insured loss.
- f. Terrorism coverage.

The property covered shall include the Work and appurtenances, including any materials, equipment, or other items to be incorporated therein while the same are located at the construction site, stored off site, while in transit or at the place of manufacture. The policy shall contain a provision that the interests of the SLDMWA and the CMGC, Subcontractors and material suppliers are insureds under the policy and that any loss shall be payable to the insureds as their interests may appear.

The Project **is not** financed by revenue bonds **and** the Contract Documents do not require earthquake insurance, in accordance with California Public Contract Code section 7105, the maximum amount for which the CMGC is liable as a result of "Acts of God," as defined in California Public Contract Code section 7105, shall be five percent (5%) of the Contract Sum.

The maximum deductible for all other perils allowable under this policy shall be one hundred thousand dollars (\$100,000) or five hundred thousand dollars (\$500,000) for water damage, three percent (3%) of values at risk at time of loss for flood subject to a five hundred thousand dollar (\$500,000) minimum and a five million dollar (\$5,000,000) maximum, and a five percent (5%) of values at risk at time of loss for earthquake subject to a five hundred thousand dollar (\$500,000) minimum and a five million dollar (\$5,000,000) maximum, unless expressly approved by the SLDMWA in writing. All deductibles shall be borne solely by the CMGC, Subcontractors, or material suppliers, and the SLDMWA shall not be responsible to pay any deductible, in whole or in part.

In the event of a covered loss, proceeds of Builder's Risk insurance shall be applied first to reimburse actual costs of demolition, debris removal, reconstruction, and repair or replacement incurred in the discharge of the CMGC's obligations of repair or replacement. Insurance proceeds shall be deposited in a separate account in a local bank satisfactory to the SLDMWA and shall be withdrawn only with the SLDMWA's written approval to reimburse such actual costs as the Builder's Risk carrier has agreed to reimburse. The SLDMWA shall have no liability for failure of the Builder's Risk carrier to pay for any particular cost of repairs. In the event of the termination of the CMGC for default, the CMGC shall forfeit all rights to Builder's Risk insurance proceeds and the SLDMWA may expend such proceeds to complete the Project as if they were unpaid contract monies.

The SLDMWA and the CMGC waive all rights against each other for loss or damage to the extent reimbursed by Builder's Risk insurance or any other property or equipment insurance applicable to the Work, except such rights as they may have to the proceeds of such insurance. If the policies of insurance referred to in this section require an endorsement or consent of the insurance company to provide for continued coverage where there is a waiver of subrogation, the owners of such policies will cause them to be so endorsed to obtain such consent.

If not covered by Builder's Risk insurance or any other property or equipment insurance required by this Contract, the CMGC shall procure, maintain, and keep in force at all times during the term of the Contract, at the CMGC's sole expense, property insurance for portions of the CMGC's work and/or equipment to be incorporated therein stored offsite or in transit with sub limits of ten million dollars (\$10,000,000) per occurrence.

SECTION 3.09H. Environmental Liability Insurance/Pollution Liability Endorsement.

The CMGC shall procure, maintain, and keep in force at all times during the term of the Contract, at the CMGC's sole expense, Environmental Liability insurance, using an occurrence form (Claims Made forms are not acceptable unless expressly allowed by the SLDMWA), which includes coverage for sudden and accidental pollution arising out of the handling of hazardous materials or hazardous wastes; non-hazardous materials or non-hazardous wastes that, when released into the environment, violate regulatory standards of the Federal, State or Local Government; and coverage for liability arising out of any hazardous materials remediation, such as the handling of asbestos or removal of lead

contamination.

CMGC's Pollution Liability limits: CMGC shall provide \$10,000,000 each loss and annual aggregate for bodily injury, property damage, or environmental damage caused by pollution conditions resulting from CMGC's operations or operations of anyone or entity employed or hired by CMGC, including its agents and representatives.

Pollution Legal Liability Endorsement: \$10,000,000 combined single limit, annual aggregate for bodily injury, sickness, disease, mental anguish or shock, property damage and defense costs; with a minimum of \$5,000,000 per occurrence. Pollution Legal Liability insurance shall cover liability of the insured disposal or treatment facility that is accepting any waste or soil under this Project. CMGC shall require such disposal or treatment facilities to furnish proof of the required coverage or CMGC provides proof of coverage for Pollution Legal Liability for Non-Owned Disposal Site.

If coverage for Environmental Liability insurance is allowed by the SLDMWA to be written on a claims-made form, the following provisions apply:

Limit of coverage shall be not less than twenty million dollars combined single limits for Bodily Injury and Property Damage (\$20,000,000).

Insurance must be maintained and evidence of insurance must be provided for at least ten (10) years after completion of the Work. Additional provisions, including Project specific coverage may be required at the sole discretion of the SLDMWA.

SECTION 3.09(I). Other Provisions.

The CMGC's General Liability, Automobile Liability, and any Excess or Umbrella Liability or other insurances required in the Contract Documents, shall contain the following provisions:

- a. Additional Insured endorsements as respects to liability arising out of the activities performed by or on behalf of the CMGC, products and completed operations of the CMGC, premises owned, occupied, or used by the CMGC, or automobiles owned, leased, hired, or borrowed by the CMGC. The policy shall contain no special limitations on the scope of coverage afforded to Additional Insureds. All policies shall name the SLDMWA, its officers, officials, directors, agents, authorized volunteers, representatives and employees as additional insured.
- b. For any claims related to this Contract, the CMGC's insurance coverage shall be primary insurance as respects Additional Insureds. The Additional Insured endorsement shall state that the policy is primary and that any insurance or self-insurance maintained by the SLDMWA or other Additional Insureds shall be excess of the CMGC's (or Subcontractor's) insurance and shall not be called upon to contribute to any loss.

Any failure to comply with reporting or other provisions of the policies on the part of the CMGC, including breaches of warranties, shall not affect coverage provided to the Additional Insureds.

The CMGC's General Liability and any Excess or Umbrella Liability insurance policies shall contain an endorsement stating that any aggregate limits shall apply separately to each project for which the CMGC provides services away from premises owned by or rented to the CMGC per ISO form CG 25 03 11 85 or equivalent. If the CMGC elects not to provide a separate aggregate, the general aggregate limit shall be twice the required general aggregate limit noted above.

CMGC waives its rights of recovery from the SLDMWA with regard to all causes of property and/or liability loss and all of CMGC's insurance policies shall provide, by endorsements or otherwise, that the insurer(s) waive any and all of its or their rights of recovery, by subrogation or otherwise, against the SLDMWA and any Additional Insureds. CMGC will also require its Subcontractors to include a similar waiver their rights of recovery and to include a waiver of subrogation endorsement to be provided in favor of the SLDMWA and any Additional Insureds on all insurance. The Waiver of Subrogation endorsement must be at least as broad as ISO form CG 24 04.

The CMGC's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

Each insurance policy by endorsement or provision shall state that coverage shall not be suspended, voided, cancelled, reduced in scope of coverage or in limits, non-renewed, or materially changed unless the insurer(s) provide thirty (30) Calendar Days written notice by certified mail to the SLDMWA prior to such change. Ten (10) Calendar Days prior written notice by certified mail shall be given to the SLDMWA in the event of cancellation due to nonpayment of premium.

All of the CMGC's insurance coverage, except as noted below, shall be placed with insurance companies with a current A.M. Best rating of at least A-:VII.or equivalent and that are admitted to do business and in good standing in California, unless otherwise approved by the SLDMWA.

Exception: Workers' Compensation which is provided through a State Compensation Insurance Fund or a qualified self-insurer for Workers' Compensation under California law.

The CMGC shall sign and file with the SLDMWA the following certification prior to commencing performance of the work of the Contract:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of the Code, and I will comply with such provisions before commencing the performance of the Work of this Contract."

Said certification is included in the Contract, and signature and return of the Contract shall constitute signing and filing of the said certification.

The SLDMWA, at its discretion, may require new types of insurance coverage or increase the limits of insurance coverage required hereunder at any time during the term of the Contract by giving thirty (30) Calendar Days written notice to the CMGC. CMGC shall immediately procure such insurance or increase the limits of coverage and provide certificates of insurance, including copies of all required endorsements, to the SLDMWA within thirty (30) Calendar Days of receipt of the SLDMWA's request.

The required insurance coverage shall be subject to the approval of the SLDMWA, but any acceptance of insurance certificates by the SLDMWA shall in no way limit or relieve the CMGC of its duties and responsibilities in this Contract.

Regardless of the Contract minimum insurance requirements, the CMGC and its insurer shall agree to commit the CMGC's full policy limits, and the minimum requirements shall not restrict the CMGC's liability or coverage limit obligations to the SLDMWA.

If the CMGC fails to procure or maintain insurance as required by this Section 3.09 and each of its subsections and any Contract Documents, or fails to furnish the SLDMWA with proof of such insurance, the SLDMWA, at its discretion, may procure any or all such insurance. Premiums for such insurance procured by the SLDMWA shall be deducted and retained from any sums due the CMGC under the Contract. Failure of the SLDMWA to obtain such insurance shall in no way relieve the CMGC from any

of the CMGC's responsibilities under the Contract. Any failure of the CMGC to maintain any item of the required insurance is sufficient cause for termination of the Contract as a material breach.

The making of progress payments to the CMGC shall not be construed as relieving the CMGC of responsibility for loss, damage, or destruction occurring prior to final acceptance by the SLDMWA.

The SLDMWA is authorized to execute amendments and waivers, with or without conditions, to the insurance requirements of the Contract. The SLDMWA will provide such amendments or waivers in writing to the CMGC.

The failure of the SLDMWA to enforce in a timely manner any of the provisions of this Section 3.09 and/or any of its subsections shall not act as a waiver to enforcement of any of these provisions at any time during the term of the Contract.

SECTION 3.09J. Deductibles and Self-Insurance Retention.

Any deductible or self-insured retention over five million dollars (\$5,000,000) that applies to General Liability or Automobile Liability must be declared to and approved by SLDMWA in writing.

SECTION 3.09K. Subcontractor's Insurance.

The CMGC is responsible for the acts and omission of all of its Subcontractors and shall require all of its Subcontractors to maintain adequate insurance in accordance with the policy limits and other requirements specified above, including without limitation "Other Provisions" (Section 3.09I), unless otherwise approved by the SLDMWA. Notwithstanding the foregoing, Subcontractors CGL insurance may be a minimum of one million dollars (\$1,000,000.00) per occurrence for bodily injury and property damage, two million dollars (\$2,000,000.00) aggregate.

The CMGC shall not allow any Subcontractor to commence work on its subcontract until the Subcontractor has provided the insurance specified herein. The CMGC shall require each of its Subcontractors to procure and to maintain, during the life of the subcontract, bodily and personal injury liability and property damage insurance, and workers' compensation insurance, of the type and in the same amount as specified in above, including, without limitation, the requirement that the Subcontractor's policy shall be endorsed to include Additional Insureds.

Should any Subcontractor's work include elements that may give rise to a pollution claim, the Subcontractor shall be required to carry Pollution Liability coverage with limits of at least \$2,000,000 per pollution event. The SLDMWA may require higher limits by written request. The policy shall be endorsed to include the Additional Insureds, and shall include a waiver of subrogation endorsement in favor of the Additional Insureds.

All submittals required of CMGC which are to be prepared by a licensed California engineer shall be prepared only by a licensed engineer who is covered by a professional liability insurance policy issued by a California-admitted carrier or a carrier authorized to do business in California with a Best's rating of A-:VII or better, with a limit per claim of at least \$1,000,000. Such insurance shall be maintained in effect by said engineer at all times while performing work on the Project and for at least three (3) years after final completion and acceptance of the Project. CMGC shall submit an insurance certificate for such engineer at any time upon request of the SLDMWA.

It shall be the responsibility of the CMGC to ensure that all Subcontractors comply with this provision, and to verify their compliance when requested by the SLDMWA.

If requested by the SLDMWA, the CMGC shall deliver certificates of insurance or copies of the insurance policies and endorsements of all Subcontractors; provided, however, that this authority shall not relieve the CMGC of its obligation to ascertain the existence of such insurance.

SECTION 3.09L. Notification of Accident or Occurrence.

The CMGC shall report by telephone and email to the SLDMWA within twenty-four (24) hours and also report in writing to the SLDMWA within fifteen (15) Calendar Days after the CMGC or any Subcontractors or agents have knowledge of any accident or occurrence involving death of or injury to any person or persons, or damage in excess

of ten thousand dollars (\$10,000) to the Work, property of the SLDMWA or others, arising out of any work done by or on behalf of the CMGC as part of the Contract. Such report shall contain:

1. The date and time of the occurrence,
2. The names and addresses of all persons involved, and
3. A description of the accident or occurrence and the nature and extent of injury or damage.

The report to be provided within 24 hours shall include as much information as is available at the time.

The CMGC shall furnish the SLDMWA with a copy of the Employer's Report of Injury immediately following any incident requiring the listing of said report on the OSHA Log during the prosecution of the Work under this Contract. The CMGC shall also furnish the SLDMWA with a copy of the Employer's Report of injury involving any Subcontractor on the Project.

SECTION 3.09M. Notification of Claim.

If any claim for damages is filed with the CMGC or if any lawsuit is instituted against the CMGC that arises out of or is in any way connected with the CMGC's performance under this Contract and that in any way, directly or indirectly, contingently or otherwise, affects or might reasonably affect the SLDMWA, CMGC shall give prompt and timely notice thereof to the SLDMWA. Notice shall be prompt and timely if given as soon as the CMGC is reasonably aware that SLDMWA may be entitled to notice under this Section, but no later than thirty (30) Calendar Days following the date of receipt of a claim or ten (10) Calendar Days following the date of service of process of a lawsuit.

ARTICLE 4. SCOPE OF WORK

SECTION 4.01. THE CONTRACT.

The Contract Documents form the Contract, which represents the entire and integrated agreement between the SLDMWA and the CMGC and supersedes all prior negotiations, representations or agreements, either written or oral. The Contract may be amended or modified only by a Change Order, including an amendment to add additional GMPs when each Task is authorized. Nothing contained in the Contract Documents shall create any contractual relationship between the SLDMWA, the SLDMWA Representative, or the Engineer and any Subcontractor or sub-Subcontractor, or between the SLDMWA Representative or the Engineer and the CMGC.

SECTION 4.02. INTENT OF CONTRACT DOCUMENTS.

It is the overriding intent of the Contract Documents that the work performed shall result in a complete and operable project in satisfactory condition for use, with all components in functional operating condition and fit for the use for which it is intended, and which complies in all respects with the Contract Documents. No extra compensation will be allowed for anything omitted but fairly implied to be included in the Contract Documents. The prices paid for the various items in the bid shall include full compensation for furnishing all labor, materials, tools, equipment and incidentals, and doing all items necessary to complete the Work as provided by the Contract Documents. The prices paid include all overhead, markups, and profit.

Unless otherwise specified, the CMGC agrees to do all of the work and furnish and pay for all materials, supplies, equipment, tools, labor, transportation, supervision, resources, and everything else necessary or proper to perform and complete the Work herein required, including any Change Order work or disputed work directed by the SLDMWA, within the time specified and in a good and workmanlike manner to the satisfaction of the SLDMWA, in the manner designated, and in strict conformity with the Plans, Specifications, and all provisions of the Contract and any applicable code or statute, whether or not specifically described herein, as long as same is reasonably inferable therefrom as being necessary to produce the intended results, whether temporary or permanent, and whether or not incorporated or to be incorporated in the Work.

When portions of the Work are described in general terms, but not in complete detail, it is understood that the CMGC will employ only the best general practice and incorporate only the best quality materials and workmanship in the Work.

Scale drawings, full-size details, and specifications are intended to be fully coordinated and to agree. Where not specifically stated otherwise, all work and materials necessary for each unit of construction, even though only briefly mentioned or indicated, shall be furnished and installed fully and completely, including, but not limited to, the manufacturer's instructions and/or recommendations, as part of this Contract.

If the Contract does not specifically allow the CMGC a choice of quality or cost of items to be furnished, but could be interpreted to permit such a choice, the CMGC shall furnish the highest quality under current industry standards, regardless of the cost of the item.

If the CMGC discovers any discrepancies during the course of the Work between the Plans and conditions in the field, or any errors or omissions in the Plans and conditions in the field, or any errors or omissions in the Plans, the Specifications, or in the layout given by stakes, points, or instructions, it shall be the CMGC's duty to inform the SLDMWA immediately, and the SLDMWA shall promptly verify the same. Any work done after such discovery, until authorized by the SLDMWA, will be done at the CMGC's risk.

SECTION 4.03. CONFORMANCE WITH CODES AND STANDARDS.

See also Specification Section 01 42 10.

The Work shall be in full compliance with the latest adopted edition of the following applicable standards and regulations:

- The State Fire Marshal
- The UBC
- Title 8
- Title 22
- Title 24

- The NEC
- The UPC
- Storm Water Pollution Plans and Standards
- Other codes, laws or regulations applicable to the Work or the Contract.

Nothing in the Contract is to be construed to permit work not conforming to these requirements. When the Work detailed in the Plans and Specifications differs from governing codes, the CMGC shall complete the Work in accordance with the higher standard. If the higher standard is more expensive than the Work detailed in the Plans and Specifications, the CMGC will be compensated for the CMGC's additional costs by Contract Change Order as provided in Article 9, "Changes and Claims," of these General Conditions.

SECTION 4.04. DIAGRAMMATIC DRAWINGS.

Drawings showing the locations of equipment, wiring, piping, etc., unless dimensioned, are diagrammatic, and conditions will not always permit their installation in the exact location shown. In such event, the CMGC shall submit an RFI and obtain a response before proceeding with the work in question. Unless there is a material increase in the CMGC's scope of work, installation as specified in the response to the RFI shall be without any additional compensation to the CMGC and without any increase in the Contract Time. Any work done after discovery of the issue, until authorization to proceed based on the response to the RFI, will be done at the CMGC's risk.

SECTION 4.05. INSTRUCTION BULLETINS AND DRAWINGS.

In addition to the Drawings incorporated in the Contract Documents, the Engineer may furnish such supplemental drawings or instructions from time to time as may be necessary to make clear or to define in greater detail the intent of the Contract Drawings and Specifications. In furnishing additional drawings or instructions, the Engineer shall have the authority to make minor changes in the Work, not involving any extra cost, and not inconsistent with the overall design of the Project. If extra cost is known to be involved, these instructions will be accompanied by an RFP. These supplemental drawings and instructions shall become a part of the Contract Documents; the CMGC shall make its work conform to them.

SECTION 4.06. FIELD DIRECTIVES OR OTHER WRITTEN DIRECTIVES.

The SLDMWA may issue Field Directives or other written directives from the office or field during the course of the Work, and the CMGC shall immediately comply with the Field Directive or other written directive. CMGC must perform all work directed by a field directive, whether or not CMGC believes the work is included in the Contract and regardless of any disputes regarding money, time and/or other issues. CMGC acknowledges that continued progress of the Work is of high importance and that such disputes can be resolved as the Work progresses.

A Field Directive or other written directive may be used to add, delete, modify, or reject work, to note deficiencies in work, to clarify the Contract or to order work to be performed. Work required by a Field Directive or other written directive shall be in accordance with the Contract and any previously executed Change Orders, except as delineated otherwise in the directive. Drawings included with Field Directives or other written directives are part of the Contract and shall be incorporated into the Record Drawings.

If the CMGC refuses or neglects to comply with or make progress in the execution of any Field Directive or other written directive, the SLDMWA, in addition to all other rights under the Contract and/or applicable law, may employ

any person or persons to perform such work at CMGC's cost, and the CMGC shall not interfere with the person or persons so employed.

At appropriate intervals, Field Directives and/or other written directives that alter the Contract may be grouped to form a Change Order as described in Article 9, "Changes and Claims," of these General Conditions.

SECTION 4.07. COMPLEMENTARY FEATURE OF CONTRACT DOCUMENTS; ORDER OF PRECEDENCE.

The Contract Documents, including the Specifications and Plans and Drawings, are complementary and what is called for by any one shall be as binding as if called for by all. In case of conflict, the following order of precedence will govern interpretation of the Contract:

1. Permits from other agencies as may be required by law;
2. The Special Provisions containing the requirements for federally funded projects;
3. The Agreement for Construction, as amended by Change Orders and any other Contract amendments;
4. Special Provisions that may be developed during preconstruction services;
5. Technical Specifications;
6. Plans and Drawings;
7. General Conditions;
8. Request for Proposals, including attachments and addenda;

In addition, the following shall also apply:

1. Written numbers and notes on a drawing shall govern over graphics.
2. A detail drawing governs over a general drawing.
3. A detail specification governs over a general specification.
4. A specification in a section governs over a specification referenced by that section.
5. Changes last in time govern prior requirements.

In case of conflict between the Project Plans and Technical Specifications, the Plans shall govern in matters of quantity and size, the Technical Specifications in matters of quality. In case of conflict within the Plans involving quantities or within the Technical Specifications involving quality, the greater quantity and the higher quality shall be provided.

Where on any Drawing a portion of the Work is drawn out and the remainder is indicated in outline, the drawn out parts shall apply to all other like portions of the Work. Where ornament or other detail is indicated as starting, such detail shall be continued throughout the courses or parts in which it occurs and shall also apply to other similar parts in the Work, unless otherwise indicated.

All work shown on the Plans, the dimensions of which are not figured, shall be accurately followed to the scale to which the drawings are made; however, figured dimensions shall in all cases be followed, even if they differ from scaled measurements. Full-size drawings shall be followed in the execution of the Work.

Any material specified by reference to the number, symbol, or title of a specified standard such as a Commercial Standard, a Federal Specification, a trade association standard, or other similar standards, shall comply with the requirements in the latest approved revision thereof and any amendments or supplements thereto in effect on the date of Notice Inviting Bids, except as limited to type, class, or grade, or modified in such reference. The standards referred to, except as modified in the Specifications, shall have full force and effect as though printed in these Specifications.

SECTION 4.08. INTERPRETATION AND ADDITIONAL INSTRUCTIONS; REQUESTS FOR INFORMATION.

SECTION 4.08A. General.

CMGC shall prepare a Request for Information (RFI) when additional information, clarification, or interpretation of the Contract is required. RFIs may also be used for apparent conflicts, inconsistencies, ambiguities, or omissions.

RFIs shall be submitted to the SLDMWA sufficiently in advance of the work to permit time for investigation and preparation of a response. Any work undertaken prior to receipt of a response to an RFI will be at the CMGC's risk.

RFIs shall not be used for submittals or for substitution of material or equipment, or for waiving of requirements.

SECTION 4.08B. Procedure.

An RFI shall be submitted on an approved form as defined at the preconstruction meeting, and shall be numbered consecutively. A status log shall be prepared and updated by the CMGC and reviewed with the SLDMWA at each progress meeting. Each RFI shall deal with only one topic, item, issue, or system. The RFI shall clearly describe and specifically state what is being requested. Relevant portions of the Contract shall be cited, marked-up, and attached.

The CMGC shall review each RFI before submittal and compare it with the Contract to verify that a response is required. RFIs will only be accepted from the CMGC and not from Subcontractors or suppliers. A recommendation or proposed solution may be included when appropriate or expedient. RFIs that are not clear or RFIs for which a response is clearly identified in the Contract will not be accepted.

SECTION 4.08C. Response.

The SLDMWA will normally respond within fifteen (15) Working Days. The SLDMWA will provide a written response, and that response shall control. The CMGC shall indicate a priority for responses to RFIs if more than five (5) RFIs are pending at the same time. In case of a dispute between the CMGC and the SLDMWA, protest may be made as provided in Section 9.15, "Dispute Regarding Contract Requirements," of these General Conditions.

Subsequent resubmittals of an RFI shall be identified with the same RFI number and a letter designation. Resubmittals shall clearly state the reason for the resubmittal.

Responses to RFIs indicating a change to drawings shall be recorded by the CMGC on the Record Documents.

SECTION 4.09. NOTIFICATION OF DISAGREEMENT REGARDING SCOPE OF WORK.

If agreement cannot be reached as to cost, and the CMGC does not agree that work due to an interpretation or supplemental drawing or instruction or directive is within the scope of the Contract Documents, the CMGC shall, within seven (7) days after receipt of the interpretation, supplemental drawing, instruction or directive, submit a Proposed Change Order to the SLDMWA specifying in detail in what particulars the Contract requirements were exceeded and the change in cost resulting therefrom. The SLDMWA shall then determine whether a Change Order shall be issued in accordance with Article 9 of these General Conditions. The CMGC shall nevertheless perform such work without delay.

The time during which the disagreement is pending shall not affect the Contract Time.

SECTION 4.10. DELETED ITEMS.

The SLDMWA may delete from the Work any one or more items of work. The CMGC will be paid for all work done toward the completion of the item prior to such deletion, as provided in Article 9, "Changes and Claims," of these General Conditions, but in no event will the amount paid exceed the Bid or Schedule of Values amount less the value of the deleted work. The CMGC shall make no claim, nor receive any compensation for profits, for loss of profit, for damages, or for any extra payment whatever because of any deleted items of work.

SECTION 4.11. EXTRA WORK.

Work not covered by the Contract but necessary for the proper completion of the Project will be classed as extra work and shall be performed by the CMGC when directed in writing by the SLDMWA. Extra work shall be performed in accordance with the Contract and as directed by the SLDMWA.

Extra work must be authorized in writing by the SLDMWA before the work is started. Payment for extra work will not be made unless such prior written authorization is obtained.

In the event of an emergency or other situation that endangers the Work or endangers public safety, the SLDMWA will direct the CMGC to perform such extra work necessary to protect the Work or the public.

SECTION 4.12. USE OF COMPLETED PORTIONS.

The SLDMWA has the right during the progress of the Work to occupy and/or use any completed or partially completed portion of the Work. Such use shall not be deemed acceptance of that portion, nor of any other portions of the Work, nor of work not completed in accordance with the Contract.

Under unusual circumstances on an exception basis, and only by written approval of the SLDMWA, the SLDMWA may provide a field acceptance of a completed portion of the Work under Section 7.21, "Final Inspection and Field Acceptance," of these General Conditions, such that the warranty period for that portion will be considered to commence and the CMGC will be relieved of any further maintenance and protection of that portion. No final payment shall occur for a limited portion of the work. The CMGC will not be relieved of the Contract requirements for repairing or replacing defective work and materials in accordance with Sections 7.21 and 7.23, "Warranty Work," of these General Conditions.

SECTION 4.13. LANDS AND RIGHTS-OF-WAY.

The SLDMWA shall provide the lands, rights-of-way, and easements upon which the Work is to be done, and such other lands as may be designated on the Plans for the use of the CMGC. The CMGC shall confine its operations to within these limits. The CMGC shall comply with the terms and conditions of right of entry, right of way and easement documents. The SLDMWA shall provide photocopies of these documents to the CMGC prior to the CMGC's use of, or commencement of Work, in the lands in question.

The CMGC shall provide at the CMGC's own expense any additional land and access that is required for temporary construction facilities or storage of materials. The CMGC shall obtain all required permissions for use of private property prior to taking possession or use. The permission shall be obtained in writing and a copy forwarded to the SLDMWA prior to the CMGC taking possession of said property.

SECTION 4.14. WARRANTY.

Unless otherwise specified in the Contract Documents, the warranty time period for any Task will be one year after the SLDMWA Final Acceptance of such Task (see Section 7.22, "Final Acceptance and Notice of Completion," of these General Conditions) and subject to the terms of the CMGC Guarantee Form. The Performance Bond furnished by the CMGC as part of the execution of the Contract shall include the terms and time period of the Warranty of the CMGC's work. Following completion of the final Task of the Project, In lieu of continuing the original performance bond through the end of the final warranty period, the CMGC may submit a warranty bond, on a form substantially the same as the Performance Bond, for a minimum of ten percent (10%) of the total Project value to be valid for one year from the date of acceptance of the last Task by the SLDMWA, subject to extension in accordance with the CMGC Guarantee Form for corrected defective work.

If required by the Contract Documents, the CMGC shall enter into and sign Warranty statements in the form provided to warranty various segments of the Work for the time specified.

If failure of any portion of the Work can be attributed to faulty materials, poor workmanship, defective equipment, or any other reason that can be attributed to CMGC's performance, and this failure occurs prior to the end of the specified warranty period, the CMGC shall promptly make the needed repairs at the CMGC's expense in accordance with Section 7.23, "Warranty Work," of these General Conditions.

ARTICLE 5. CONTROL OF WORK AND MATERIALS

SECTION 5.01. AUTHORITY OF SAN LUIS AND DELTA-MENDOTA WATER AUTHORITY.

The SLDMWA will decide all questions regarding the quality and acceptability of materials furnished, work performed, and rate of progress of the Work. The SLDMWA will decide all questions regarding the interpretation and fulfillment of the Contract on the part of the CMGC, and all questions as to the rights of different CMGCs that may be involved with the Work.

The SLDMWA will determine the amount and quality of the Work performed and materials furnished for which payment is to be made under the Contract.

The SLDMWA will administer its authority through a duly designated representative identified at the preconstruction meeting. The CMGC and the SLDMWA Representative shall make good faith attempts to resolve disputes that arise during the performance of the Work.

Any order given by the SLDMWA not otherwise required by the Contract to be in writing will be given or confirmed by the SLDMWA in writing at the CMGC's request. Such request shall state the specific subject of the decision, directive, instruction, or notice and, if it has been given orally, its date, time, place, author, and recipient.

SECTION 5.02. ATTENTION AND COOPERATION OF CMGC.

The CMGC shall comply with any written instruction delivered to the CMGC or the CMGC's authorized representative by appropriately authorized representatives of the SLDMWA.

SECTION 5.03. SUGGESTIONS TO CMGC.

Any plan or method suggested to the CMGC by the SLDMWA, but not specified or required in writing, if adopted or followed in whole or in part by the CMGC, shall be used at the risk and responsibility of the CMGC. The SLDMWA assumes no responsibility.

SECTION 5.04. SEPARATE CONTRACTS.

The SLDMWA reserves the right to award other contracts in connection with the Work, including awarding a separate contract or contracts for Tasks initially anticipated to be performed by CMGC. The CMGC shall afford other contractors reasonable opportunity for the delivery and storage of their materials and the execution of their work and shall properly connect and coordinate its work with the other contractors.

If any part of the CMGC's work depends upon the work of any other contractor for proper execution or results, the CMGC shall inspect and promptly report to the SLDMWA any defects in such work that render the other contractor's work unsuitable for proper execution and results. The CMGC's failure to so inspect and promptly report shall constitute an acceptance of the other contractor's work as fit and proper for the reception of the CMGC's work, unless defects develop in the other contractor's work after the execution of the CMGC's work.

SECTION 5.05. COOPERATION WITH OTHER CONTRACTORS.

Other contractors and other forces, including the SLDMWA and/or adjacent property owners, may perform work adjacent to or within the Work area concurrent with the CMGC's operations. The CMGC shall conduct operations to minimize interference with the work of other forces or contractors. Any disputes or conflicts between the CMGC and other forces or contractors retained by the SLDMWA which create delays or hindrance to each other shall be referred to the SLDMWA for resolution. If the CMGC's work is delayed because of the acts or omissions of any other force or contractor, the CMGC shall have no claim against the SLDMWA other than for an extension of time (see Section 7.18, "Extension of Time," of these General Conditions).

SECTION 5.06. SUPERVISION PROCEDURES.

The CMGC shall supervise and direct the Work using its best skill and attention. The CMGC shall be solely responsible for all construction means, methods, techniques, and procedures and for coordinating all portions of the Work under the Contract.

The CMGC shall be responsible to the SLDMWA for the acts and omissions of its employees, Subcontractors, their agents and employees, and other persons performing any of the Work.

It is prohibited to hire undocumented workers. The CMGC shall secure and cause its Subcontractors to secure proof of eligibility/citizenship to work from all workers.

The CMGC shall not be relieved from its obligations to perform the Work in accordance with the Contract Documents either by the activities or duties of the Engineer or the SLDMWA Representative in their administration of the Contract or by inspections, tests, or approvals (or the lack thereof) required or performed by persons other than the CMGC.

SECTION 5.07. SKILLED LABOR.

All non-apprentice labor shall have the skills of a journeyperson in the applicable trade. All workmanship shall be of the highest quality and finish in all respects.

SECTION 5.08. CMGC'S DISMISSAL OF UNSATISFACTORY EMPLOYEES.

If any person employed by the CMGC or any Subcontractor shall fail or refuse to carry out the directions of the SLDMWA or the provisions of the Contract; or is, in the opinion of the SLDMWA, incompetent, unfaithful, intemperate, or disorderly; or uses threatening or abusive language or conduct to any person on or associated with the Work or with the public; or is acting or working in a manner that compromises the safety of the public, Work, or persons or property involved with the Work; or is otherwise unsatisfactory, the CMGC shall, when requested by the SLDMWA, remove the worker from the Work site immediately, and shall not again employ the removed worker on the Project, under this contract or any other contract, except with the written consent of the SLDMWA.

SECTION 5.09. CMGC'S EQUIPMENT.

The CMGC shall provide adequate and suitable equipment, labor, and means of construction to meet all the requirements of the Work, including completion within the Contract Time. Only equipment suitable to produce the quality of work required will be permitted to operate on the Project. Specific types of equipment may be requested by the SLDMWA on component parts of the Work.

The SLDMWA may, at the SLDMWA's option, permit the use of new or improved equipment, at the CMGC's cost. If such permission is granted, it is understood that it is granted for the purpose of testing the quality and continuous attainment of work produced by the equipment, and the SLDMWA shall have the right to withdraw such permission at any time that the SLDMWA determines that the alternative equipment is not producing work that is equal in all respects to that specified, or will not complete the Work in the time specified in the Contract. The cost for mobilizing and demobilizing new or improved equipment shall be borne by the CMGC.

In any case where the use of a particular type or piece of equipment has been banned, or in cases where the SLDMWA has condemned for use on the Work any piece or pieces of equipment, the CMGC shall promptly remove such equipment from the site of the Work at its cost. Failure to do so within a reasonable time may be considered a breach of contract. The cost for mobilizing and demobilizing replacement equipment shall be borne by the CMGC.

SECTION 5.10. CMGC'S SUBMITTALS.

SECTION 5.10A. Submittals – General.

The CMGC shall furnish all working drawings, plans, specifications, descriptive data, certificates, samples, tests, methods, schedules, and manufacturer's instructions as required in the Contract, and any other information required to demonstrate that the materials and equipment to be furnished and the methods of work comply with the provisions and intent of the Contract. Submittals shall be submitted by the dates specified in the Contract.

Submittals for systems shall be bound together and include all information for the system.

For any sample or other submittal that is not submitted electronically, a minimum of five (5) copies of all submittals shall be furnished, two (2) of which will be returned after review. Depending on the complexity of the submittal, the number of submittals, and the express needs of the CMGC as reflected in the schedule and noted in the submittal, the submittal will be returned to the CMGC within twenty-eight (28) Calendar Days unless otherwise specified in the Contract Documents, exclusive of any time awaiting clarification or further information. Submittals shall be transmitted using submittal transmittal forms provided by the SLDMWA. Unless otherwise agreed to by the CMGC and the SLDMWA or required by the nature of the submittal (*e.g.*, the requirement to submit a sample), the CMGC will make all submittals using an electronic submittal transmittal form. The SLDMWA will provide the CMGC with an electronic copy of its submittal log. Where any item of the work is required to be installed in accordance with the manufacturer's recommendations and the manufacturer's recommendations are not available electronically, the CMGC shall furnish five (5) complete paper sets of the manufacturer's installation recommendations to the SLDMWA prior to starting the installation, which paper copies will be retained by the SLDMWA.

If the information furnished in a submittal shows any deviation from the Contract requirements, the CMGC shall, by a statement in writing accompanying the information, advise the SLDMWA of the deviation and state the reasons. It shall be the CMGC's responsibility to ensure there is no conflict with other submittals and to notify the SLDMWA in any case where the CMGC's submittal may concern work by another CMGC, adjacent property owners, other forces, or the SLDMWA.

The CMGC is solely responsible for coordination of submittals among all related crafts performing the Work. The CMGC shall verify that its Subcontractors' submittals are complete in every way and meet the requirements of the Contract.

Direction from the SLDMWA to proceed following return of the CMGC's submittals shall not relieve the CMGC of responsibility for any error or of any obligation for accuracy of dimensions and details; for agreement with and conformity to the Contract; or responsibility to fulfill the Contract as prescribed; nor shall such direction be considered as approval of any deviation or conflict in the submittal unless the SLDMWA has been expressly advised in writing of the same as set forth immediately above, and the SLDMWA has expressly approved such deviation or conflict in writing.

The CMGC shall make no changes to any approved submittal after it has been returned, and the equipment or materials shall not deviate in any way except with written approval by the SLDMWA. Fabrication or other work performed in advance of return of the submittal with a direction to proceed shall be done entirely at the CMGC's risk.

Minimum requirements for submittals are contained in these Specifications. Additional and/or project-specific requirements may be contained in the Contract. The CMGC is responsible for identifying and providing all required submittals.

SECTION 5-10B. Resubmittals.

Resubmittals shall address all comments from the SLDMWA. Partial resubmittals may be returned 'REVISE AND RESUBMIT.' The CMGC is responsible for the SLDMWA's review costs for each resubmittal in excess of the first resubmittal. These costs will be charged to the CMGC and will be deducted from progress payments.

SECTION 5.10C. Submittals Containing Proprietary Information.

All required information shall be provided even though some or all of such information may be considered proprietary. If any of the information required herein is considered proprietary, then it shall be clearly identified as such by the CMGC, who shall clearly mark the material as “confidential” or with similar other notation, but only to the extent that the material is proprietary. Such material shall be kept confidential by the SLDMWA unless disclosure is required by another government agency or ordered by a court of competent jurisdiction. If any individual or entity seeks disclosure of material marked “proprietary,” then the SLDMWA will make reasonable attempts to notify the CMGC prior to disclosure to allow the CMGC to defend its “proprietary” marking. Proprietary information is defined as any information or data describing or defining a product, process, or system which 1) was developed at the expense of the CMGC, a Subcontractor, or supplier; 2) is not generally available in the industry; and 3) is kept secret by its owner for purposes of preventing its use by others. Application software and all other documentation, or any other product prepared by the CMGC, Subcontractor, or supplier at the expense of the SLDMWA for specific use on the facility being constructed under the Contract, shall not be considered proprietary.

All submitted proprietary information shall describe the final record Work. No part of the Work identified as “proprietary” shall be modified after proprietary submittal acceptance until updated proprietary information has been submitted by the CMGC and accepted by the SLDMWA. Updated proprietary information shall fully document all modifications to be implemented. All proprietary data shall be marked “PROPRIETARY” by the CMGC.

SECTION 5.10D. NOT USED

SECTION 5.10E. Operations and Maintenance (O&M) Submittals.

For use in subsequent operations and maintenance, the CMGC shall furnish, unless otherwise provided for in the Contract Documents, one (1) original and two (3) copies, all bound and indexed, and one bookmarked electronic copy in pdf format, of maintenance and operation information, including all the highest level of factory maintenance manuals (greatest level of detail) that are available to factory representatives with a three-year subscription to newsletters and updates supplied by the manufacturer covering all equipment and systems included in the Contract. The SLDMWA may withhold up to ten percent (10%) of the GMP amount attributable to the Task until O&M submittals have been submitted and approved. The submittal shall include at a minimum:

- Drawings
- Illustrations
- Parts lists
- Wiring diagrams of systems
- Internal wiring diagrams and circuit board schematics and layout drawings
- Manufacturer's recommended spare parts lists
- Name, address, and phone number of nearest parts and service provider
- Systems balance data
- Maintenance and service instructions
- Operation instructions
- Software, including annotated source lists and programs

The submittal of maintenance and operation information is required for all mechanical, electrical, instrumentation, control, communications, sound, or special equipment and systems.

The CMGC shall obtain approval of the required data at least thirty (30) Calendar Days prior to any required training or the final inspection date.

SECTION 5.11. DAILY REPORTS.

No less than on a weekly basis, the CMGC shall submit, upon request of the SLDMWA, to the SLDMWA daily reports, which shall include, without limitation, the identity of Subcontractors on the site, an accurate headcount of

workers on the site, materials and equipment delivered to the site, visitors to the site, work performed, any problems encountered, and representative photos.

SECTION 5.12. SURVEYS.

SECTION 5.12A. Surveys.

Except as set forth in this Section or in the Contract Documents, the CMGC shall be responsible for performing all necessary surveys to lay out and control the Work to the locations, elevations, lines, and dimensions shown or specified in the Contract. Any deviations must receive prior written approval of the SLDMWA. All surveys affecting the line or elevation of underground drainage, sewers, or utilities, and all other work within public rights-of-way or easements, shall be performed by or under the direction and supervision of a California Registered Civil Engineer authorized to practice land surveying or a California Licensed Land Surveyor. The CMGC shall be responsible for protecting and perpetuating survey monuments affected by construction activities in accordance with Business and Professions Code Section 8771(b). The CMGC shall be responsible for the accuracy of the CMGC's own layout work, and shall be liable for the preservation of all established lines and grades.

Stakes damaged or destroyed by the operations of the CMGC shall be replaced at the CMGC's expense.

Dimensions for existing structures, piping, paving, and other nonstructural items are taken from the available information during the SLDMWA's planning and design.

- CMGC shall field verify dimensions and conditions in advance of any construction in the area.
- Any discrepancy between the field survey and the information indicated in the Contract Documents shall be immediately brought to the attention of the SLDMWA Representative by written notification.
- In questions arising as to proper location of lines and grades, the decision of SLDMWA's Representative will be final.

Accuracy of the CMGC's stakes, alignments, and grades may be periodically and randomly checked by SLDMWA's Representative.

- If requested by SLDMWA's Representative, the CMGC shall supply field labor as required, at no extra charge to the SLDMWA, to aid and assist SLDMWA's Representative in checking location and grades of the work as set by the CMGC. This shall include postponing parts of the Work affected by survey check and moving materials and equipment that interfere with a clear line of sight between horizontal control points and the construction work.
- The CMGC is not to assume that SLDMWA's Representative's check substitutes for or complements the CMGC's required field quality control procedures.

The CMGC's registered land surveyor shall check the line and grade of the slab or footing concrete forms prior to the first slab or footing pour at each structure.

SECTION 5.12B. Survey Monuments.

The SLDMWA shall show on the construction Plans, to the best of its knowledge, the location and character of survey monuments located within the construction area. It is the CMGC's responsibility to arrange and pay for a diligent and thorough search for survey monuments. This shall be performed by or under the direction of a California Licensed Land Surveyor or a California Registered Civil Engineer authorized to practice Land Surveying, prior to the beginning of construction or maintenance work that could disturb or destroy a survey monument. Any monuments found shall be referenced and reset by or under the direction of a California Licensed Land Surveyor or a California Registered Civil Engineer authorized to practice Land Surveying in accordance with Business and Professions Code Section 8771.

On thin surface treatments, such as chip seals, the monuments can be covered in advance of the maintenance treatment with a suitable material and then removed to expose the monument.

When survey monuments not shown on the Plans are discovered, the CMGC shall bring them to the attention of the SLDMWA prior to damaging them. Any SLDMWA survey monuments damaged or destroyed by the CMGC shall be reset by the SLDMWA or CMGC at the CMGC's expense. Any other damaged or destroyed survey monuments shall be reset by the CMGC at its sole expense in accordance with the Land Surveyors Act (Business & Professions Code 8700 et seq.).

When the Contract Documents require that the CMGC provide all surveys, the CMGC shall be responsible for referencing, resetting, and filing of corner records for all survey monuments disturbed or destroyed by construction activities in accordance with Business and Professions Code Section 8771.

All survey monuments and references shall be set or reset by or under the direction of a California Licensed Land Surveyor or a California Registered Civil Engineer authorized to practice Land Surveying.

SECTION 5.12C. Documentation.

CMGC shall furnish SLDMWA's Representative with one (1) copy of all land surveyor notes, calculations, sketches, and drawings within 48 hours after completion of each survey task.

CMGC shall prepare, maintain, and submit Record Documents as required in the Contract Documents. CMGC's land surveyor is to affix its signature and registration number to applicable record drawings certifying the accuracy of lines and grades shown.

CMGC shall submit survey Record Drawings before final completion.

SECTION 5.13. RESPONSIBILITY FOR ACCURACY.

The CMGC shall obtain all necessary measurements for and from the Work, and shall check dimensions, elevations, and grades for all layout and construction work and shall supervise such work; the accuracy for all of which the CMGC shall be responsible. The CMGC is responsible for adjusting, correcting, and coordinating the work of all Subcontractors so that no discrepancies result.

SECTION 5.14. DUTIES AND POWERS OF INSPECTORS.

Inspectors are the authorized representatives of the SLDMWA. Their duty is to inspect materials and workmanship of those portions of the Work to which they are assigned, either individually or collectively, under instructions of the SLDMWA, and to report all deviations from the Contract.

The Project Inspector shall have the authority to order the work designated for inspection stopped if a determination is made that work is proceeding in violation of the Contract Documents or any orders issued by the SLDMWA, its representatives, or the Engineer. The failure of the Project Inspector to order the work stopped does not excuse the CMGC from complying with the Contract Documents for that work.

Upon issuing a stop work notice, the Project Inspector shall notify the Engineer, who shall inspect the work in question and determine whether it does or does not comply with the Contract Documents. The decision of the Engineer shall be final, subject to the disputes procedures in Article 9, "Changes and Claims," of these General Conditions. The CMGC shall thereafter comply with the instructions of the Engineer regarding corrections needed to cure the defect. The suspended work shall be resumed only when the Engineer's instructions are fulfilled. The CMGC shall not be entitled to an extension of time in the event of such suspension of work, provided the stop work notice is determined to be supported by the facts.

The SLDMWA work site inspections will only be conducted Monday through Friday from 7:00 am to 5:30 pm, excluding weekends and Legal Holidays. Any inspections outside of these hours shall be requested at least three (3)

days prior, must be approved by the Project Manager, and all added costs associated with the inspections outside specified times shall be paid by the CMGC.

SECTION 5.15. INSPECTION.

The inspection of the Work does not relieve the CMGC of the obligation to fulfill all Contract requirements. The purpose of inspection is not to assure CMGC that all of the Work is meeting all of the Contract requirements.

All work and materials furnished pursuant to the Contract shall be subject to inspection and approval by the SLDMWA. The CMGC shall provide the SLDMWA and Inspectors with access to the Work during construction and shall furnish every reasonable facility and assistance for ascertaining that the materials, equipment and the workmanship are in accordance with the requirements and intent of the Contract. Any work, materials, or equipment not meeting the requirements and intent of the Contract will be rejected, and unsuitable work, equipment, or materials shall be made good, notwithstanding the fact that such work, materials, or equipment may have been previously inspected or approved and /or payment may have been made. The CMGC shall be solely responsible for any costs associated with the removal of any defective work, equipment, or materials discovered during the inspection and the complete cost of reconstruction.

Unless authorized in writing by the SLDMWA, any work done in the absence of an Inspector, whether completed or in progress, shall be subject to inspection. The CMGC shall furnish all tools, labor, materials, access facilities, and other facilities necessary to allow such inspection, even to the extent of uncovering or taking down completed portions of the Work. The CMGC shall pay all costs incurred, whether or not any defective work is discovered. The CMGC shall also be solely responsible for any costs associated with the removal of any defective work discovered during the inspection and the complete cost of reconstruction.

Reexamination of any part of the Work may be ordered by the SLDMWA, and such part of the Work shall be uncovered by the CMGC. The CMGC shall pay the entire cost of such uncovering, reexamination, and replacement if the reexamined work does not conform to the Contract.

The CMGC shall notify the SLDMWA of the time and place of any factory tests and submit test procedures for approval thirty (30) Calendar Days in advance for any tests that are required by the Contract. The CMGC shall report the time and place of preparation, manufacture, or construction of any material for the Work, or any part of the Work, that the SLDMWA wishes to inspect. The CMGC shall give five (5) Working Days' notice in advance of the beginning of work on any such material or of the beginning of any such test to allow the SLDMWA to make arrangements for inspecting and testing or witnessing.

SECTION 5.16. QUALITY OF MATERIALS AND WORKMANSHIP.

Unless otherwise allowed or required by the Contract Documents, all equipment and materials shall be new and of a quality at least equal to that specified. All workmanship shall also be of the highest quality. When the CMGC is required to furnish equipment, materials, or manufactured articles or to do work for which no detailed specifications are set forth, the equipment, materials, or manufactured articles shall be of the best grade in quality and workmanship obtainable in the market. If not ordinarily carried in stock, the articles shall conform to the usual standards for first-class materials or articles of the kind required. The work performed shall secure the best standard of construction and equipment of the Work as a whole or in part.

Materials shall be furnished in sufficient quantities and at such times to ensure uninterrupted progress of the Work. All required spare parts shall be delivered in new condition, not in a used or unknown condition, and with any certificates required. Materials, supplies, and equipment shall be stored properly and protected as required. The CMGC shall be entirely responsible for damage or loss by weather or other causes.

SECTION 5.17. SUBSTITUTIONS.

Certain materials, articles, or equipment may be designated in the Contract by brand or trade name or manufacturer together with catalog designation or other identifying information. Substitute material, article, or equipment which is of equal quality and of required characteristics for the intended purpose may be proposed for use, provided the CMGC complies with the requirements of the following paragraphs. Notwithstanding the foregoing, all known requests for

substitutions are expected to be made during preconstruction services. Such substitutions approved during preconstruction services shall not be subject to the following process.

SECTION 5.17A. Written Request.

The CMGC shall submit any request for substitution in writing.

SECTION 5.17B. Documentation.

A proposal for substitution must be accompanied by complete information and descriptive data, including cost of operation, cost of maintenance, and physical requirements necessary to determine the equality of offered materials, articles, or equipment.

The CMGC shall also submit such shop drawings, descriptive data, and samples as requested. The burden of proof of comparative quality, suitability, and performance of the offered proposal shall be upon the CMGC. The determination of equal quality, suitability, and performance shall be at the sole discretion of the SLDMWA. The SLDMWA will examine such submittals with reasonable promptness. If the SLDMWA rejects the request for such substitution, then one of the particular products designated by brand name in the Contract shall be furnished. Acceptance of substitution by the SLDMWA shall not relieve the CMGC from responsibility for deviations from the Plans and Specifications or from responsibility for errors in submittals. Failure by the CMGC to identify deviations in the request material from the Plans and Specifications shall void the submittal or request for substitution and any action taken thereon by the SLDMWA.

Changes required for proper installation and fit of substitute materials, articles, or equipment, or because of deviations from the Contract, shall not be made without the written consent of the SLDMWA and shall be made by the CMGC without additional cost to the SLDMWA. The CMGC shall pay the costs of design, drafting, engineering services, and alterations of the construction required to accommodate any CMGC substitution or construction error to maintain the original function and design.

SECTION 5.18. PREPARATION FOR TESTING.

The CMGC shall maintain proper facilities and provide safe access for inspection by the SLDMWA to all parts of the Work and to the shops wherein parts of the Work are in preparation.

Where the Contract requires work to be tested or approved, such work shall not be tested or covered up without at least a five (5) Working Day notice to the SLDMWA of its readiness for inspection, unless the written approval of the SLDMWA for such testing or covering is first obtained.

SECTION 5.19. MATERIALS SAMPLING AND TESTING.

Materials to be used in the Work will be subject to sampling and tests by the SLDMWA. The CMGC shall furnish the SLDMWA with a list of the CMGC's sources of materials and the locations at which such materials will be available for inspection. The list shall be furnished to the SLDMWA in time to permit the inspection and testing of materials in advance of their use.

Testing shall be done to such standards as set forth in the Plans, Specifications, or Special Provisions. References made in these documents to standard methods of testing materials shall make such standards a part of the Specifications.

Whenever a reference is made in the Specifications to a specification or test designation of any recognized State or national organization or State of California agency, and the number or other identification representing the year of adoption or the latest revision is omitted, it shall mean the specification or test designation in effect on the date of the original Notice Inviting Bids for the Work.

When requested by the SLDMWA, samples or test specimens of the proposed materials shall be prepared at the expense of the CMGC and furnished by the CMGC in such quantities and sizes required for proper examination and tests, and with complete information describing type, kind, or size of material, and its source. All samples shall be submitted in time to permit the making of proper tests, analyses, or examinations before incorporating the materials into the Work. No material shall be used in the Work unless or until it has been approved by the SLDMWA. All

material tests shall be made by the SLDMWA in accordance with recognized standard practice. The CMGC shall pay the cost of any retest of any area or material. The SLDMWA will secure and test samples whenever necessary.

SECTION 5.20. APPROVAL OF MATERIALS OR EQUIPMENT.

SECTION 5.20A. Sources of Supply.

The SLDMWA's approval at the source of supply may be required prior to procurement. Such approval shall not prevent subsequent disapproval or rejection of materials or equipment by the SLDMWA if the quality is less than required by the Contract.

SECTION 5.20B. Plant Inspection.

The SLDMWA assumes no obligation to inspect materials or equipment at the source of supply. The CMGC is responsible for incorporating satisfactory materials and equipment into the Work, notwithstanding any prior inspections or tests.

The SLDMWA will inspect materials or equipment at the source if the CMGC submits a written request and if the SLDMWA deems the inspection necessary. The CMGC and the supplier will cooperate with and assist the SLDMWA while performing the inspection. The SLDMWA shall have access to all production areas of the material or equipment source or place of manufacturing.

SECTION 5.21. PROVISIONS FOR EMERGENCIES.

The SLDMWA may provide necessary labor, material, and equipment to correct any emergency resulting from the CMGC's operation including non-compliance with the Contract, public convenience, safety, and protection of Work, persons, environment, and property. The nature of the emergency may prevent the SLDMWA from notifying the CMGC prior to taking action. The costs of such labor, material, and equipment shall be borne by the CMGC and will be deducted from progress payments.

The performance of such emergency work under the direction of the SLDMWA shall not relieve the CMGC from any damages resulting from the emergency.

SECTION 5.22. RIGHT TO RETAIN IMPERFECT WORK.

If any portion of the work done or materials or equipment furnished under the Contract shall prove defective or not in accordance with the Contract, and a) if the defect in the work, materials, or equipment is not of sufficient magnitude or importance to make the work, materials, or equipment dangerous or undesirable, or b) if the removal of such work, materials, or equipment is impracticable or will create conditions which are dangerous or undesirable, then the SLDMWA shall have the right and authority to retain the work, materials, or equipment instead of requiring it to be removed and reconstructed or replaced. Progress payment deductions will be made as described in Section 8.09, "Deductions for Imperfect Work," of these General Conditions.

SECTION 5.23. REMOVAL OF REJECTED MATERIALS OR WORK.

The CMGC shall remove all rejected or condemned materials, equipment, or Work within two (2) Working Days of the SLDMWA's written directive, unless otherwise specified in the directive. No such rejected or condemned materials or equipment shall again be offered for use in the Work. The CMGC shall, at the CMGC's expense, bring into Contract compliance all rejected material, equipment, or Work in a manner acceptable to the SLDMWA.

The SLDMWA may bring into Contract compliance the rejected material or equipment if the CMGC fails to comply with this Section. All costs shall be borne by the CMGC and will be deducted from the Progress Payment.

SECTION 5.24. TEMPORARY SUSPENSION OR DELAY OF WORK.

The SLDMWA has the authority to suspend or delay the Work, wholly or in part, for any period the SLDMWA deems necessary. The CMGC shall immediately comply with the SLDMWA's written directive to suspend or delay the Work. The suspended or delayed work shall be resumed only when conditions are favorable or methods are corrected, as ordered or approved in writing by the SLDMWA. Public safety and convenience must be maintained throughout the suspension or delay.

Delays due to suspension of work shall be classified as Inexcusable or Excusable Delays in accordance with Section 7.12, "Delays," of these General Conditions. Such suspension shall not relieve the CMGC of the CMGC's

responsibilities as described in the Contract.

SECTION 5.25. TERMINATION.

SECTION 5.25A. Reasons for Termination.

The SLDMWA reserves the right to terminate the Contract, any Task, the CMGC's right to proceed, and/or the CMGC's control over the Work or any Task for any of the reasons listed below.

SECTION 5.25A.1. Termination for Convenience.

The SLDMWA may at any time and for any reason terminate the Contract or the CMGC's performance of the Work or any Contract Task, in whole or in part, for the SLDMWA's convenience by written notice to the CMGC. Upon receipt of such notice, the CMGC shall, unless the notice directs otherwise, immediately discontinue its work and the placing of orders for materials and supplies in connection therewith, and shall, if requested, make every reasonable effort to cancel all existing orders or contracts upon terms satisfactory to the SLDMWA, or, at the option of the SLDMWA, the SLDMWA shall have the right to assume those obligations directly, including all benefits to be derived therefrom. The CMGC hereby assigns to the SLDMWA all of its interest in said orders and/or contracts, and the assignment of said orders and/or contracts shall be effective upon notice of acceptance by the SLDMWA in writing, and only as to those orders and/or contracts which the SLDMWA designates in writing. Following receipt of notice of termination for convenience, the CMGC shall thereafter do only such work as may be necessary to preserve and protect portions of its work already in progress and to protect materials and equipment on or in transit to the Project.

Upon such termination, the CMGC shall be entitled to payment as follows: 1) the CMGC's unpaid Contract price for the Task completed in accordance with the Contract, but in no event to exceed the amount of the GMP allocable to the portion of the Task completed in conformity with the Contract; plus 2) previously unpaid costs of materials delivered to the Site or which have been ordered that the SLDMWA elects to accept, without markup; plus 3) reasonable costs of terminating subcontracts and material supply contracts, including without limitation reasonable restocking fees; plus 4) reasonable costs of securing the Site upon termination; plus 5) reasonable demobilization costs. The costs referred to in this Section shall be calculated and documented as required for a change order. The CMGC shall not be entitled to any claim for lost profits or unrecovered overhead as a consequence of the termination for convenience.

If the Contract or any Task or the CMGC's control over the Work is terminated for cause and if it is later determined that the termination for cause was wrongful, such termination for cause automatically shall be converted to and treated as a termination for convenience. In such event, the CMGC shall be entitled to receive only the amount payable under this Section, and the CMGC specifically waives any claim for any other amounts or damages, including any claim for consequential damages or lost profits.

SECTION 5.25A.2. Termination for Cause.

The SLDMWA may terminate the Contract or any Task or the CMGC's control over the Work and so notify the CMGC's sureties for the following causes:

- The CMGC is adjudged bankrupt or makes an assignment for the benefit of the CMGC's creditors, or if a receiver is appointed because of the CMGC's insolvency.
- The SLDMWA has made a determination that the CMGC will be unable to complete the Work or any Task on or before the completion date as adjusted by Change Order, or the CMGC has not completed the Work or any Task on or before the completion date as adjusted by Change Order.
- The CMGC abandons the Work.
- The Work or any portion is sublet or assigned without the SLDMWA's consent.
- The rate of progress is not in accordance with the Contract.
- Any portion of the Work is unnecessarily delayed.
- The CMGC willfully violates any terms or conditions of the Contract.
- The CMGC does not supply sufficient materials or properly skilled and staffed labor.

- The CMGC fails to promptly pay its Subcontractors.
- The CMGC disregards laws, ordinances, or orders of the SLDMWA or other government agency with authority over the Work.
- The CMGC fails to correct defective work in response to defective work notices.
- The CMGC fails to comply with written directives.

SECTION 5.25B. Termination After Contract Time.

In addition to any other rights it may have, the SLDMWA may terminate the Contract or any Task or the CMGC's right to proceed at any time after the expiration of the Contract Time attributable to any Task(s), as adjusted by Change Order. Upon such termination, in addition to the CMGC's other obligations under the Contract, the CMGC shall not be entitled to receive any compensation after such termination until the Work is completed, and the CMGC shall be liable to the SLDMWA for liquidated damages for all periods of time from the expiration of the Contract Time attributable to any Task(s), as adjusted by Change Order, until the date of Completion, as well as for all losses incurred by the SLDMWA in completing the Work, as set forth in Section 5.25D of these General Conditions.

SECTION 5.25C. Notice of Termination; SLDMWA Completion.

If grounds exist to terminate under Sections 5.25A.2 or 5.25B above, then the SLDMWA may issue to the CMGC and its sureties a Notice of Default and Intent to Terminate the Contract or the CMGC's Control Over the Work for Cause ("Notice"). The Notice shall state the grounds for default that exist and demand that CMGC cure the grounds, or make satisfactory arrangement for cure of the grounds, within ten (10) days of the date of the Notice, or else the SLDMWA will terminate the Contract or the CMGC's control over the Work.

If the CMGC fails to cure the grounds, or make satisfactory arrangement for cure of the grounds, stated in the Notice within ten (10) days of the date of the Notice, the SLDMWA may give written Notice of Termination for Cause to the CMGC and the CMGC's sureties that the Contract, or a portion of the Contract, has been terminated and/or that the CMGC's control over the Work, or a portion of the Work, has been terminated for the reasons stated in the Notice of Termination. The Notice of Termination shall also demand that CMGC's surety take over and perform the Work through Completion. The CMGC's surety shall then have the right to take over and perform the Work through Completion. The SLDMWA may take over the Work through Completion at the CMGC's and surety's expense if the surety does not commence performance within thirty (30) Calendar Days from the date of mailing the Notice of Termination or if immediate resumption of the Work is necessary to avoid significant additional cost.

If the SLDMWA is forced to take over the Work, it may prosecute the same to completion by day labor, by contract or by any other method it may deem advisable, for the account and at the expense of the CMGC and its sureties, and the CMGC and its sureties shall be liable to the SLDMWA for any excess costs, including management, supervision, and design support, occasioned thereby. In such event, the SLDMWA may, without liability, take possession of and utilize in completing the Work, the CMGC's materials whether stored at the Site or elsewhere, that are necessary for completion. The SLDMWA may also take possession of and use all or any part of the CMGC's tools, equipment, and appliances on the premises to complete the Work. The SLDMWA assumes the responsibility for returning such equipment in as good condition as when it was taken over, reasonable wear and tear excepted. The items shall be returned to the CMGC when the Work is complete or sooner, at the SLDMWA's discretion. The SLDMWA agrees to pay a reasonable amount for the use of such tools and equipment.

The CMGC hereby assigns to the SLDMWA all of its interest in orders and/or contracts existing at the time of termination. The assignment of said orders and/or contracts shall be effective upon notice of acceptance by the SLDMWA in writing, and only as to those orders and/or contracts which the SLDMWA designates in writing.

Whenever the Contract or the CMGC's control over the Work is terminated for cause, the CMGC and its sureties and shall be liable to the SLDMWA for liquidated damages for all periods of time from the expiration of the Contract Time, as adjusted by Change Order, until the date of Completion, as well as for all losses incurred by the SLDMWA in completing the Work, as set forth in Section 5.25D of these General Conditions.

Immediately upon receipt of a Notice of Termination for Cause or for Convenience, except as otherwise directed in writing by the SLDMWA, the CMGC shall:

1. Stop work under the Contract on the date and to the extent specified in the Notice of Termination.
2. Place no further orders or subcontracts for materials, services, or facilities except as necessary to complete the portion of the Work that is not terminated.
3. Terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the Notice of Termination.
4. Assign to the SLDMWA, in the manner, at the times, and to the extent directed by the SLDMWA, all of the rights, titles, and interests of the CMGC under the orders and subcontracts so terminated. The SLDMWA shall have the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts.
5. Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts with the approval or ratification of the SLDMWA. The SLDMWA's approval or ratification shall be final.
6. Transfer title to the SLDMWA, and deliver in the manner, at the times, and to the extent directed by the SLDMWA, fabricated or unfabricated parts, work in process, completed work, supplies, other material produced as a part of, or acquired in connection with, the terminated work, and the completed or partially completed drawings, information, and other property that, if the Contract had been completed, would have been submitted to the SLDMWA.
7. Sell, in the manner, at the times, to the extent, and at the price that the SLDMWA directs or authorizes, any property of the types referred to in Item 6 of this Section (Section 5.25C). The CMGC is not required to extend credit to any purchaser, and may acquire any such property under the conditions prescribed and at a price approved by the SLDMWA. The proceeds of any such transfer or disposition shall be used to reduce any payments made to the CMGC under the Contract or be credited to the cost of the work covered by the Contract or paid as the SLDMWA directs.
8. Complete performance of the Work not terminated by the Notice of Termination.
9. Take necessary action, or as the SLDMWA directs, to protect and preserve the property related to the Contract in which the SLDMWA has an interest.

SECTION 5.25D. Payments to CMGC Upon Termination for Cause.

In the event of a termination for cause, the CMGC is not entitled to receive any portion of the amount to be paid under the Contract until it is fully completed. After completion, if the unpaid balance exceeds the sum of the amount expended by the SLDMWA in finishing the work, plus all damages sustained or to be sustained by the SLDMWA, including, without limitation, legal expenses, the SLDMWA forces, administration, and management, direct and indirect, plus liquidated damages, plus any unpaid claims on account of labor, materials, tools, equipment, or supplies contracted for by the CMGC for the Work, provided that sworn statements of said claims shall have been filed as required by Article 9, "Changes and Claims," of these General Conditions, the excess not otherwise required by the Contract Documents to be retained shall be paid to the CMGC. If the sum so expended to complete, plus the SLDMWA's damages as described herein, plus liquidated damages, plus unpaid claims as described herein exceeds the unpaid balance of the Contract Sum, the CMGC and the CMGC's surety are liable to the SLDMWA for the amount of such excess.

SECTION 5.25E. Completion Not a Waiver of SLDMWA Rights.

No act by the SLDMWA before the Work is finally accepted shall operate as a waiver or stop the SLDMWA from acting upon any subsequent event, occurrence, or failure by the CMGC to fulfill the terms and conditions of the

Contract. The rights of the SLDMWA pursuant to this Section 5.25 and all of its subsections are in addition to all other rights of the SLDMWA pursuant to the Contract, and at law or in equity.

SECTION 5.25F. Survival of Obligations.

No termination of this Contract or of the CMGC's control over the Work shall excuse or otherwise relieve the CMGC of its responsibilities under the Contract with respect to any Work performed prior to the date of termination, including, without limitation, its obligation to perform the Work in a good and workmanlike manner, free of defects, and in accordance with the Contract, its warranty obligations with respect to the Work, and its obligation to make all payments due. All of the CMGC's responsibilities under the Contract with respect to the Work performed prior to the date of termination shall survive any termination.

SECTION 5.26. TERMINATION OF UNSATISFACTORY SUBCONTRACTS.

When any portion of the Work subcontracted by the CMGC is not prosecuted in a satisfactory manner, the CMGC shall immediately terminate the subcontract upon written notice from the SLDMWA. The Subcontractor shall not again be employed for any portion of the Project on which the Subcontractor's performance was unsatisfactory. Substitution of a new Subcontractor shall be accomplished in accordance with California Public Contract Code sections 4100 *et seq.*, and at the CMGC's expense.

ARTICLE 6. LEGAL RELATIONS AND RESPONSIBILITIES

SECTION 6.01. COMPLIANCE WITH LAWS AND REGULATIONS.

The CMGC shall be familiar and comply with all Federal, State, and local laws, ordinances, codes, and regulations which in any manner affect the Work, those engaged or employed in the Work, or the material or equipment used in or upon the Work, or in any way affect the conduct of the Work. No pleas of misunderstanding of such laws, ordinances, codes, or regulations or of ignorance of the same on the part of the CMGC shall modify the provisions of the Contract. The CMGC and the CMGC's surety shall indemnify, defend, and save harmless the SLDMWA and the SLDMWA's officers, officials, agents, employees, volunteers, members, affiliates, and their duly authorized representatives against any claim for liability arising from, or based upon, the violation of any such law, ordinance, regulation, decree, or order, whether by the CMGC or by the CMGC's employees, Subcontractors, or suppliers.

The attention of the CMGC is directed to certain laws that affect the Contract. The listing of these laws in this Article is not to be construed as a listing of all applicable laws. The CMGC is solely responsible for familiarity and compliance with all applicable laws.

See also Special Provisions.

SECTION 6.02. WAGES, HOURS AND EQUAL OPPORTUNITY

See also Special Provisions regarding compliance with the Davis-Bacon Act. In accordance with the Davis-Bacon Act, CMGC must pay the required wages not less than once per week.

SECTION 6.02A. Hours of Labor.

Eight (8) hours of labor shall constitute a legal day's work and the CMGC or any Subcontractor under the CMGC, in the execution of the Contract, shall not require more than eight (8) hours of labor in any Calendar Day, and forty (40) hours of labor in any calendar week, from any person employed by the CMGC in the performance of the Work under the Contract, except as permitted under the provisions of California Labor Code Sections 1810 through 1815. The CMGC shall forfeit, as penalty to the SLDMWA, the amount specified in Labor Code section 1813 for each worker employed by the CMGC or any Subcontractor under the CMGC in the execution of the Contract for each Calendar Day during which any worker is required or permitted to labor more than eight (8) hours and for each calendar week during which any worker is required or permitted to labor more than forty (40) hours in violation of the provisions of Labor Code Sections 1810 to 1815.

Overtime shall be paid at the rate of not less than one and one half (1 1/2) times the basic rate of pay, or at such higher rate as may be required by the DIR, applicable statutes, or collective bargaining agreements.

The SLDMWA reserves the right to approve or disapprove the days scheduled for work, and the hours during which work is in progress. Overtime and shift work may be established by the CMGC with reasonable notice and the written permission of the SLDMWA. No work other than overtime and shift work shall be done between the hours of 6:00

p.m. and 7:00 a.m., except such work as is necessary for the proper care and protection of the work already performed, in case of an emergency, or as approved in writing by the SLDMWA. Failure of the CMGC to perform the work in accordance with this policy shall be deemed to be a failure on the CMGC's part to comply with the Contract and is cause for termination.

SECTION 6.02B. Prevailing Wage.

Pursuant to Labor Code Section 1772, workers employed by CMGCs or Subcontractors in the execution of any contract for public work are deemed to be employed upon public work as defined in Labor Code Sections 1720 through 1725. Therefore, the CMGC and all Subcontractors on the Project shall pay not less than the prevailing rate of per diem wages, including, but not limited to, overtime, Saturday, Sunday, and holiday work, travel and subsistence, as determined by the Director of the DIR pursuant to Labor Code Section 1773. If the Special Provisions make this Contract subject to Federal Davis-Bacon Act requirements (40 U.S.C. sections 3141-3148, as supplemented by 20 C.F.R. Part 5), then, in any conflict between the Davis-Bacon Act and the provisions in this Section 6, the higher requirements will apply. Copies of such prevailing rate of per diem wages are available upon request at the office of the SLDMWA at 15990 Kelso Road, Byron, CA 94514 or on the Internet at <http://www.dir.ca.gov/OPRL/PWD> or, in the case of Davis Bacon, at www.wdol.gov/dba.aspx.

The CMGC shall obtain and post copies of these prevailing wage rates in a prominent place at the job site, in accordance with the regulations of the DIR.

The responsibility to check prevailing wage rates is the CMGC's. Pursuant to Labor Code Section 1773.4 the CMGC may file with the Director of DIR or the Chief of the Division of Labor Standards Enforcement ("DLSE") a petition to review a determination of any rate or rates made by the Director of DIR. The CMGC may also petition the Director of DIR to make a determination for a particular craft, classification, or type of work not covered by a general determination. Pending the review or determination, the wages may be assumed to be those in the applicable collective bargaining agreement, but no adjustment in the Bid or Contract Sum shall be made if such assumption is incorrect.

The wage rates determined by the Director of the California DIR refer to expiration dates. Prevailing wage determinations with a single asterisk (*) after the expiration date that are in effect on the date of establishing the GMP for any Task remain in effect for the duration of the Project. Prevailing wage determinations with double asterisks (**) after the expiration date indicate that the basic hourly wage rate, overtime and holiday wage rates, and employer payments to be paid for work performed after this date have been determined. If work extends past this date, the new rate shall be paid and should be incorporated in contracts entered into for the Project. The CMGC should contact the DIR as indicated in the prevailing wage determinations to obtain predetermined wage changes. All determinations that do not have double asterisks (**) after the expiration date remain in effect for the duration of the Project.

The CMGC agrees that in the event of underpayment of wages to any employee on the Project, whether by the CMGC or any Subcontractor, the SLDMWA may retain from payments due to the CMGC an amount sufficient to pay such worker the difference between the wages required to be paid by the DIR and the wages actually paid such worker for the total number of hours worked. The SLDMWA may disburse such retention to such employees.

For each worker paid less than the applicable prevailing wages for any work done under this Contract by the CMGC or any Subcontractor, the CMGC shall forfeit to the SLDMWA as a penalty the sum determined by the Labor Commissioner in accordance with the considerations set forth in Labor Code Section 1775, over and above any retention or withholds otherwise authorized by the Contract. If a worker employed by a Subcontractor is paid less than the prevailing wages by the Subcontractor, the CMGC is not subject to this penalty assessment if the CMGC can demonstrate that it did not have knowledge of that failure of the Subcontractor to pay the prevailing wages and that it strictly complied with the requirements of Labor Code Section 1775(b). In addition to applicable penalties, the CMGC or Subcontractor shall pay each worker the difference between the prevailing wage and the amount paid for every hour the worker was paid less than the prevailing wage.

SECTION 6.02C. Payroll Records.

CMGC shall comply with Labor Code Section 1776. Regulations implementing Section 1776 are located in Section 16000 and Sections 16401 through 16403 of Title 8, California Code of Regulations. The CMGC shall be responsible for compliance by all Subcontractors on the Project.

The CMGC and Subcontractors shall keep accurate payroll records, showing the name, address, Social Security number, work classification, dates of payroll period, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journey person, apprentice, worker, or other employee employed by the CMGC and by each Subcontractor in connection with the Work. Such records shall be certified under penalty of perjury that the information contained in the payroll record is true and correct and that the employer has complied with the requirements of Labor Code sections 1771, 1811, and 1815 for any work performed by its employees, and shall be available for inspection at all reasonable hours at the principal offices of the CMGC and Subcontractors in a manner set forth in Labor Code Sections 1776 and 1812.

Upon a written request, the CMGC and Subcontractors shall file a certified copy of the records enumerated above with the SLDMWA no later than ten (10) Days after receipt of the written request. The CMGC shall be held responsible for all Subcontractors' compliance with this requirement.

Failure to submit timely, complete certified payrolls shall subject the CMGC and/or Subcontractor to the penalties specified in subdivision (h) of Labor Code section 1776, which penalties may be deducted from progress payments to the CMGC.

The CMGC shall not carry on its payrolls any person not actually employed by the CMGC, nor shall it carry on its payroll employees of a Subcontractor. The CMGC shall show on its payrolls all persons actually employed by the CMGC on the Project, in any capacity. The CMGC shall supervise all Subcontractors to ensure that all Subcontractors comply with this Section.

In accordance with Government Code Section 8546.7, or any amendments thereto, all books, records, and files of the CMGC, or any Subcontractor connected with the performance of this Contract, shall be subject to examination and audit by the California State Auditor and/or by the United States Department of Labor. CMGC shall preserve and cause to be preserved such books, records and files for a period of three (3) years after final payment unless additional time is requested by the California State Auditor or the United States Department of Labor.

SECTION 6.02D. Additional Requirements for Labor Compliance.

The CMGC shall comply with all applicable and current requirements of the DIR and the DLSE, including without limitation the following additional requirements, and shall cause all Subcontractors on the Project, whether under contract with the CMGC or under contract with any Subcontractor, to comply.

The records kept by the Contactor and all Subcontractors of the hours and wages of all employees employed on Project also shall be open at all times for inspection by the DIR and DLSE, in accordance with Sections 1776 and 1812 of the Labor Code. Such records shall be furnished electronically to the Labor Commissioner of the DIR monthly, unless more frequent submission is required herein, and shall be furnished within 10 days of any separate request by the DIR or DLSE. Payroll records shall be furnished in a format prescribed by the DIR and uploaded into the electronic certified payroll reporting (eCPR) system.

On a random basis and at such other times as it deems appropriate, the DIR also may confirm the accuracy of payroll reports, including by corroboration of information in payroll reports through independent sources, including without limitation worker interviews, examination of any time and pay records found within the definition of "Payroll Records" in section 16000 of Title 8 of the California Code of Regulations, direct verification of "Employer Payments" (as defined at section 16000 of Title 8 of the California Code of Regulations) through third-party recipients of those payments, or any other legal and reasonable method of corroboration. As part of its confirmation process, the DIR may require the CMGC and any of its Subcontractors to furnish for inspection itemized statements prepared in accordance with Labor Code Section 226. The DIR may conduct random confirmation based on a recognized statistical sampling of the records submitted.

The DIR may conduct in-person inspection(s) at the site or sites at which the Work of the Project is being performed ("On-Site Visits"). On-Site Visits may include visual inspection of required job site notices, including but not limited to (1) the determination(s) of the Director of DIR of the prevailing wage rate of per diem wages required to be posted at each job site in compliance with Labor Code Section 1773.2; (2) the Notice of pay days and time and place of payment required by Labor Code Section 207; and (3) any other notices prescribed by law. On-Site Visits may also include inspections of records, inspections of the work site and observation of work activities, interviews of workers

and others involved with the Project, and any other activities deemed necessary by the DIR to ensure compliance with prevailing wage requirements. In accordance with Labor Code Section 90, the Labor Commissioner and his deputies and agents shall have free access to any construction site or other place of labor and may obtain any information or statistics pertaining to the lawful duties of the Labor Commissioner, including but not limited to evidence of compliance with Labor Code Section 226 (itemized wage statements for employees) and any other laws enforced by the Labor Commissioner.

In accordance with Section 16463 of Title 8 of the California Code of Regulations (“8 CCR Section 16463”), the SLDMWA may, on its own or if required by the Labor Commissioner, withhold funds due to the CMGC when payroll records are delinquent or inadequate. The amount withheld shall be those payments due or estimated to be due to the CMGC or Subcontractor whose payroll records are delinquent or inadequate, plus any additional amount that the

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Labor Commissioner has reasonable cause to believe may be needed to cover a back wage and penalty assessment against the CMGC or Subcontractor whose payroll records are delinquent or inadequate. The CMGC shall cease all payments to a Subcontractor whose payroll records are delinquent or inadequate until the Labor Commissioner provides notice that the Subcontractor has cured the delinquency or deficiency. When payments are withheld under 8 CCR Section 16463, the Labor Commissioner will provide the CMGC and Subcontractor, if applicable, with immediate written notice that includes all of the following: (1) a statement that payments are being withheld due to delinquent or inadequate payroll records, and that identifies what records are missing or states why records that have been submitted are deemed inadequate; (2) specifies what amounts the SLDMWA has been directed to withhold; and (3) informs the CMGC or Subcontractor of the right to request an expedited hearing to review the withholding of payments under Labor Code Section 1742, limited to the issue of whether the records are delinquent or inadequate or the Labor Commissioner has exceeded his or her authority under 8 CCR Section 16463. Where the violation is by a Subcontractor, the CMGC shall be notified of the nature of the violation and reference shall be made to CMGC's rights to withhold or recover payments from the Subcontractor under Labor Code Section 1729. The withholdings under 8 CCR Section 16463 do not preclude assessment of penalties under Labor Code Section 1776(g) for failure to timely comply with a written request for certified payroll records, as set forth above.

SECTION 6.02D. Nondiscrimination.

The CMGC shall comply with Section 1735 of the Labor Code, which provides as follows:

A CMGC shall not discriminate in the employment of persons upon public works on any basis listed in subdivision (a) of Section 12940 of the Government Code, as those bases are defined in Sections 12926 and 12926.1 of the Government Code, except as otherwise provided in Section 12940 of the Government Code. Every CMGC for public works who violates this section is subject to all the penalties imposed for a violation of this chapter.

SECTION 6.02E. Apprentices.

Attention is directed to the provisions of Sections 1777.5, 1777.6, and 1777.7 of the Labor Code concerning the employment of apprentices by the CMGC or any Subcontractor.

The CMGC and all Subcontractors shall comply with the requirements of Section 1777.5 and Section 1777.6 in the employment of apprentices. Violation of these requirements shall subject the CMGC and/or Subcontractor to the penalties set forth in Section 1777.7 of the Labor Code and/or otherwise provided by law or Contract.

Information relative to apprentice standards, wage schedules, and other requirements may be obtained from the Director of DIR, *ex officio* the Administrator of Apprenticeship, San Francisco, California, or from the Division of Apprenticeship Standards and its branch offices and/or on the OPRL website at www.dir.ca.gov/OPRL/PWD. Apprentices employed on the Project must at all times work with or be under the direct supervision of one or more journeypersons.

SECTION 6.02F. Workers' Compensation.

Pursuant to Labor Code Section 1860, in accordance with the provisions of Section 3700 of the Labor Code, the CMGC is required to secure the payment of compensation to its employees.

SECTION 6.02G. Fair Labor Standards.

The CMGC shall comply with the Fair Labor Standards Act of 1938 as amended (29U.S.C. 3201 et seq.) as applicable.

SECTION 6.02H. Reporting Requirements and Sanctions.

Failure to provide specific information, records, reports, certifications, or any other documents required for compliance with the Contract will be considered noncompliance. At a minimum, documents required include:

1. List of Subcontractors

A list is required from the CMGC of all Subcontractors, including all lower tier Subcontractors, who are or will be performing work on the Project. This list is due prior to authorization to proceed with each Task.

2. Certified Payroll Reports

Certified Payroll Reports are required to be maintained by the CMGC and each Subcontractor, regardless of the subcontract amount or the type of procurement, for every payroll period in which work is performed, in accordance with Section 6.02C above. These reports are due to the SLDMWA no later than ten (10) Days after receipt of a request.

3. Fringe Benefit Statement

A Fringe Benefit Statement is required from the CMGC and each Subcontractor if fringe benefits are paid to an approved plan, fund, or program. The statement is due to the SLDMWA within ten (10) Days of a request and shall include the statement applicable to the first certified payroll report and any time the fringe benefit amounts change. The statement is not required if the fringe benefits are paid in cash to the employees.

4. Other Documentation

When required by the Special Provisions, other reporting documentation may be required depending on the source of funding for the project.

If the CMGC fails to comply with the provisions of this Section, the CMGC will be advised of the specific deficiencies and requested to make immediate corrections. The CMGC will also be advised that monetary deductions will be made for failure to effect corrections or delinquencies.

If the CMGC fails to correct a deficiency in the reporting requirements within fifteen (15) Days after notification, a deduction may be made. In such cases, the deduction will be ten percent (10%) of the estimated value of the work done during the month, except that the deduction will not exceed ten thousand dollars (\$10,000), nor be less than one thousand dollars (\$1,000), and will be deducted from the next progress payment.

Deductions for non-compliance will be in addition to all other deductions provided for in the Contract and will apply irrespective of the number of instances of noncompliance. Deductions will be made separately and cumulatively for each estimate period in which a new deficiency appears. When all deficiencies for a period have been corrected, the deduction covering that period will be released on the next progress payment. Otherwise, the deduction will be retained.

SECTION 6.03. SUBCONTRACTING.

The CMGC shall comply with all requirements of the Subletting and Subcontracting Fair Practices Act, Chapter 4 of Part 1 of Division 2 of the Public Contract Code, commencing with Section 4100, forbidding bid shopping and bid peddling, requiring accurate listing of all Subcontractors, and requiring Subcontractors to be licensed. The CMGC shall not, without the written consent of the SLDMWA: (a) substitute any party as Subcontractor in place of the Subcontractor designated in connection with the approval of the GMP; (b) permit any such subcontract to be assigned or transferred; or (c) allow the subcontracted work to be performed by anyone other than the original Subcontractor listed on the bid, including the CMGC itself. Consent for substitution or subletting shall only be given pursuant to Section 4107 of the Public Contract Code. Should the CMGC violate any of the provisions of this Section, the violation shall be deemed a breach of this Contract and the SLDMWA shall have all remedies provided by California law, including but not limited to those provided in Public Contract Code Section 4110, allowing termination of the Contract or a penalty assessment of ten percent (10%) of the subcontract amount.

SECTION 6.04. USE OF PESTICIDES.

The CMGC shall comply with all rules and regulations that govern the use of pesticides required in the performance of the Work, including any certifications that may be required for purchase, use, storage, or application.

Pesticides include, but are not limited to, herbicides, insecticides, fungicides, rodenticides, germicides, nematocides, bactericides, inhibitors, fumigants, defoliants, desiccants, soil sterilants, and repellants.

Any substance or mixture of substances intended for preventing, repelling, mitigating, or destroying weeds, insects, diseases, rodents, or nematodes, and any substance or mixture of substances intended for use as a plant regulator, defoliant, or desiccant, shall be considered a pesticide.

SECTION 6.05. OCCUPATIONAL SAFETY AND HEALTH.

The CMGC must comply with all applicable provisions of the California Occupational Safety and Health Act (Labor

Code Sections 6300 et seq.). The foregoing includes, but is not limited to, all applicable Title 8 Safety Orders issued by the State of California Occupational Safety and Health Administration (Cal/OSHA). Failure of the SLDMWA to suspend the work or notify the CMGC of the inadequacy of the safety precautions or non-compliance with existing laws and regulations shall not relieve the CMGC of this responsibility.

SECTION 6.06. INDEMNIFICATION.

SECTION 6.06A. CMGC's Performance.

To the fullest extent permitted by law, the CMGC shall indemnify, defend with counsel acceptable to the SLDMWA, and hold harmless the SLDMWA, its officers, officials, employees, agents, and volunteers from and against any and all losses, claims, demands, damages, costs, expenses, attorney's fees, or liability of every nature arising out of or in any way connected with the performance or attempted performance of the provisions of this Contract, caused in whole or in part by any negligent or willful act or omission of the CMGC, its officers, employees, or agents, or anyone directly or indirectly acting on behalf of the CMGC, regardless of whether caused in part by a party indemnified hereunder. Nothing contained in the foregoing indemnity provisions shall be construed to require the CMGC to indemnify the indemnified party in contravention of Section 2782 of the Civil Code for the active or sole negligence or willful misconduct of that indemnified party.

To the fullest extent permitted by law, the CMGC's duty to defend shall extend, without limitation, to any suit or action founded upon any losses, claims, demands, damages, costs, expenses, attorney's fees, or liability of every nature arising out of or in any way connected with the performance or attempted performance of the provisions hereof, or in any way arising out of or connected with this Contract.

The defense and indemnity obligations expressly extend to and include any and all claims, demands, damages, costs, expenses, or liability occasioned as a result of damages to adjacent property caused by the conduct of the Work.

The defense and indemnity obligations expressly extend to and include any and all claims, demands, damages, costs, expenses, or liability occasioned as a result of the violation by the CMGC, the CMGC's agents, employees, or independent contractors, Subcontractors, or suppliers of any provisions of federal, State, or local law, including applicable administrative regulations.

The defense and indemnity obligations also expressly extend to and include any claims, demands, damages, costs, expenses, or liability occasioned by injury to or death of any person, or any property damage to property owned by any person while on or about the site or as a result of the Work, whether such persons are on or about the site by right or not, whenever the Work is alleged to have been a contributing cause in any degree whatsoever.

In claims against any person or entity herein indemnified that are made by an employee of the CMGC or an employee of any of the CMGC's agents, independent contractors, Subcontractors, or suppliers, a person indirectly employed by the CMGC or by any of the CMGC's agents, independent contractors, Subcontractors, or suppliers, or anyone for whose acts the CMGC or any of the CMGC's agents, independent contractors, Subcontractors, or suppliers may be liable, the defense and/or indemnification obligation herein shall not be limited by any limitation on amount or type of damages, compensation, or benefits payable by or for the CMGC or the CMGC's agents, independent contractors, Subcontractors, or suppliers under workers' compensation acts, disability acts, or other employee benefit acts.

The defense and indemnification obligations herein shall not be limited by any assertion or finding that the person or entity indemnified is liable by reason of a non-delegable duty.

The defense and indemnities set forth herein shall not be limited by the insurance requirements, including without limitation the amount of insurance required, set forth in the Contract.

The defense and indemnification requirements herein set forth shall extend to claims occurring after this Contract is terminated as well as while it is in force.

SECTION 6.06B. Indemnification of Adjacent Property Owners.

In the event the CMGC enters into any agreement with the owners of any adjacent property to enter upon or adjacent to such property for the purpose of performing this Contract, the CMGC shall fully indemnify, defend, and save harmless such person, firm, corporation, or State or other governmental agency which owns or has any interest in the

adjacent property. The form and content of the indemnification agreement shall be approved by the SLDMWA prior to commencement of any work on or about such property. The CMGC also shall indemnify the SLDMWA and other indemnities identified in Section 6.06A as provided in the Contract. These provisions shall be in addition to any other requirements of the owners of adjacent property.

SECTION 6.07. CMGC'S LEGAL ADDRESS; WRITTEN NOTICE.

The CMGC's address stated in the Agreement is designated as places that samples, notices, letters, or other articles or communications to the CMGC may be mailed or delivered. Written notice may be accomplished by personal delivery, United States mail, overnight mail, delivery receipt email, or any other form of commercially accepted communication. The written notice shall become effective upon delivery. Delivery is complete when the notice is hand delivered; one business day after mailing by overnight mail (unless a signature on a delivery receipt reflects a different date, in which case the delivery date shall control); five business days after mailing by U.S. Mail; or upon actual email delivery during normal business hours, or on the following business day if delivered outside of normal business hours, as evidenced by a delivery receipt.

The address may be changed at any time by written notice from the CMGC to the SLDMWA. Nothing herein shall be deemed to preclude or render inoperative the service of any drawing, sample, notice, letter, or other article or communication to the CMGC at a specified address sent prior to the time any change is communicated to the SLDMWA.

SECTION 6.08. CMGC NOT AN AGENT OF SLDMWA.

The CMGC shall be an independent contractor and not an employee, agent, or other representative of the SLDMWA. Nothing in the Contract shall be construed to create any relationship of joint venture, partnership, or any other association of any nature whatsoever between the SLDMWA and the CMGC other than that of owner and independent contractor.

The SLDMWA shall have the right to direct the CMGC as provided in the Contract. The aforementioned right of supervision shall not reduce or abrogate the CMGC's liability of all damage or injury to persons, public property, or private property that may arise directly or indirectly from the CMGC's execution of the Work.

SECTION 6.09. ASSIGNMENT OF CONTRACT.

The Contract or the performance of the Contract may be assigned by the CMGC, but only upon written consent of the SLDMWA and the CMGC's surety, unless the surety has waived its right of notice of assignment. Award of the Contract constitutes written consent by the SLDMWA to all subcontracting identified in the CMGC's Bid. No such assignment or subcontracting shall be permitted that would relieve the CMGC or the CMGC's surety of their responsibilities under the Contract.

SECTION 6.10. ASSIGNMENT OF MONIES.

The CMGC may assign monies due the CMGC under the Contract, and such assignment will be recognized by the SLDMWA, if given proper written notice, to the extent permitted by law. Any assignment of monies shall be subject to all deductions provided for in the Contract. All money withheld may be used by the SLDMWA for the completion of the Work if the CMGC defaults.

SECTION 6.11. PROTECTION OF SLDMWA AGAINST PATENT CLAIMS.

The CMGC shall assume all costs arising from the use of patented materials, equipment, devices, and processes on or incorporated in the Work and shall indemnify and hold harmless the SLDMWA and the SLDMWA's officers, officials, agents, employees, volunteers, members, affiliates, and their duly authorized representatives from all actions for, or on account of, the use of any patented materials, equipment, devices, or processes in the construction of, or subsequent operation of, the Work. Before final payment, if requested by the SLDMWA, the CMGC shall furnish

acceptable proof of a proper release from all costs or claims arising from the use of patented materials, equipment, devices, or processes used on or incorporated in the Work.

SECTION 6.12. RIGHTS AND REMEDIES.

The duties and obligations of the CMGC imposed by the Contract Documents and the rights and remedies of the SLDMWA available thereunder shall be in addition to, and not a limitation of, any duties, obligations, rights, and remedies otherwise imposed or available by law.

The failure of the SLDMWA, the SLDMWA Representative, the Project Inspector, or the Engineer to insist in any one or more instances upon the strict performance of any one or more of the provisions of this Contract, or to exercise any right herein contained or provided by law, shall not be construed as a waiver or relinquishment of the performance of such provision or right(s) or of the right to subsequently demand such strict performance or exercise such right(s) and the rights shall continue unchanged and remain in full force and effect.

The CMGC agrees that it can be adequately compensated by money damages for any breach of this Contract which may be committed by the SLDMWA and hereby agrees that no default, act or omission of the SLDMWA, the SLDMWA Representative, the Project Inspector, or the Engineer, shall constitute a material breach of the Contract entitling the CMGC to cancel or rescind the provisions of the Contract or to suspend or abandon performance of all or any part of the Work. The CMGC hereby waives any and all rights and remedies to which it might otherwise be or become entitled, saving only its right to money damages.

SECTION 6.13. UNENFORCEABILITY OF ANY CLAUSE.

If any clause or provision of the Contract Documents is held to be unenforceable or invalid, then that provision of the Contract shall be stricken and the remaining portion shall remain in full force and effect.

SECTION 6.14. RESPONSIBILITY OF THE CMGC.

The CMGC shall be solely responsible for, and have control over, construction means, methods, techniques, sequences, procedures, and coordination of all portions of the Work under the Contract, unless otherwise provided in the Contract.

The Work shall be under the CMGC's responsible care and charge until completion and final acceptance, and the CMGC shall bear the entire risk of injury, loss, or damage to any part by any cause. The CMGC shall rebuild, repair, restore, and make good all injuries, losses or damage to any portion of the Work, equipment, or the materials occasioned by any cause, and shall bear the entire expense, *except that*, if the CMGC's liability for "Acts of God" is limited in accordance with Public Contract Code section 7105 and insurance covering such causes is not required, then CMGC's liability for damages arising from such Acts of God shall be limited to five percent (5%) of the Contract Sum.

In no case shall the CMGC's use of Subcontractors in any way alter the position of the CMGC or the CMGC's sureties with relation to the Contract. When a Subcontractor is used, the responsibility for every portion of the Work shall remain with the CMGC. No Subcontractor will be recognized as having a direct contractual relationship with the SLDMWA. All persons engaged in the Work under the Contract will be considered as employees of the CMGC and their work shall be subject to all the provisions of the Contract. The SLDMWA will deal only with the CMGC who is responsible for the proper execution of the Work. The CMGC shall pay when due all valid claims of Subcontractors, suppliers, and workmen with respect to the Work.

The mention herein of any specific duty or responsibility imposed upon the CMGC shall not be construed as a limitation or restriction of any other responsibility or duty imposed upon the CMGC by the Contract, said reference being made herein merely for the purpose of explaining the specific duty or responsibility.

The CMGC shall do all of the work and furnish all labor, materials, tools, equipment, and appliances, except as otherwise herein expressly stipulated, necessary, or proper for performing and completing the Work herein required, including any change order work or disputed work directed by the SLDMWA in conformity with the true meaning and intent of the Plans, Specifications, and all provisions of the Contract, within the time specified.

If the CMGC discovers any discrepancies during the course of the Work between the Plans and conditions in the field, or any errors or omissions in the Plans and conditions in the field, or any errors or omissions in the Plans, the Specifications, or in the layout given by stakes, points, or instructions, it shall be the CMGC's duty to inform the SLDMWA immediately, and the SLDMWA shall promptly verify the same. Any work done after such discovery, until authorized by the SLDMWA, will be done at the CMGC's risk.

SECTION 6.15. CMGC'S LICENSE.

The CMGC shall comply, and requires all Subcontractors to comply, with Chapter 9 of Division 3 of the Business & Professions Code.

SECTION 6.16. PERMITS AND LICENSES.

Except as set forth in the Contract Documents, the CMGC shall, at the CMGC's sole expense, obtain all necessary permits and licenses for the construction of the Work, give all necessary notices, pay all fees required by law, and comply with all laws, ordinances, rules and regulations relating to the Work and to the preservation of the public health and safety. The CMGC shall also procure all permits and licenses necessary for the normal conduct of the CMGC's business and construction operations.

The California Environmental Quality Act of 1970 (CEQA) may be applicable to permits, licenses, and other authorizations that the CMGC shall obtain from local agencies in connection with performing the Work. The CMGC shall comply with the provisions of CEQA in obtaining such permits, licenses, and other authorizations, which will be obtained in time to prevent delays to the Work. The CMGC shall also comply with all mitigation measures identified in the Special and/or Technical Provisions.

SECTION 6.17. SAFETY REQUIREMENTS.

SECTION 6.17A. Ensuring Safety; Compliance With Safety & Health Regulations.

Safety is a prime consideration in all SLDMWA contracts. The CMGC shall conform to all applicable occupational safety and health standards, rules, regulations, and orders established by the State of California or Federal Government and shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the Work, for maintaining all safety and health conditions on the site, and for ensuring against and/or correcting any hazardous conditions on the site. The CMGC shall at all times, until final acceptance and payment hereunder, maintain adequate protection against (1) injury to persons, including employees, inspectors, and all other persons who may enter the site, and (2) damage to property, on or near the Project, or adjacent to the site. In no case shall the SLDMWA or any of its agents, officials, officers, employees, independent contractors, or representatives have either direct or indirect responsibility for the means, methods, techniques, sequences, or procedures utilized by the CMGC, or for safety precautions and programs in connection with the Work, or for maintaining any safety or health conditions on the site, or for ensuring against or correcting any hazardous conditions on the site. The SLDMWA or any of its agents, employees or independent contractors may call to the attention of the CMGC any safety, health, or hazardous conditions at the site but, by doing so, they do not assume any liability or responsibility for remediation or correction of the condition, which liability and responsibility lie solely with the CMGC.

The CMGC shall designate a responsible member of its organization at the site whose duty shall be the prevention of accidents and overall jobsite safety for CMGCs/Subcontractors, employees, and visitors and who shall have the authority to make decisions regarding safety and health concerns on the project and to direct the CMGC's personnel to abate any hazard identified by the SLDMWA. This person shall be the CMGC's superintendent unless otherwise designated by the CMGC in writing to the SLDMWA.

The CMGC shall submit to the SLDMWA a written safety program in accordance with Specification Section 01-35-20 and shall submit to the SLDMWA all updates and revisions thereto for review. The CMGC is required to fulfill the requirements of its safety program during the prosecution of the work.

SECTION 6.17B. 24-Hour Contact Information.

The CMGC shall have on record with the SLDMWA twenty-four (24) hour emergency contact telephone numbers for 1) the CMGC's representative who has the authority to make decisions and the ability to respond to an emergency at

the Project at any time and 2) the CMGC's safety representative. If the CMGC's representative and the safety representative are the same person, then the CMGC shall designate a second, back-up emergency contact and provide telephone contact information for that person.

SECTION 6.17C. Protection and Repair of Work.

The CMGC shall protect the SLDMWA's structures, facilities, equipment, tools, materials, and any other property on or adjacent to the site against damage, loss, or theft by providing adequate security measures for its work. The CMGC shall, until final payment hereunder, maintain protection of all of its work and work performed by others under this Contract from damage, loss, defacement, or vandalism. The CMGC shall provide protection of completed work which may be subject to damage as a result of the CMGC's failure to perform as scheduled.

The CMGC shall repair or replace any damage and remove any damaged or defaced material and/or equipment from the Site at no cost to the SLDMWA.

SECTION 6.17D. Protection of Workers.

The CMGC shall take every precaution for the safety of all employees and others on the Work, and to comply with all applicable provisions of federal, state and local safety laws and building codes to prevent accidents or injury to persons on, about, or adjacent to the premises where the Work is being performed.

The CMGC shall erect and properly maintain at all times, as required by the conditions and progress of the Work, all necessary safeguards for the protection of workers and the public, and shall post danger signs warning against hazards created by construction including, but not limited to, protruding nails or reinforcing steel, hod hoists, elevator hatchways, scaffolding, window openings, stairways, and falling materials.

The CMGC shall immediately replace or repair any unsafe ladder, scaffolding, shoring, or bracing, and correct any other dangerous or hazardous situation that may exist.

SECTION 6.17E. Working Limits and Regulations.

The CMGC shall confine its apparatus, storage and materials, and construction operations within the limits established by the SLDMWA and shall not unreasonably encumber the site or adjacent areas with its materials and/or equipment.

The CMGC shall enforce any instructions from the SLDMWA regarding fires, placement of signs, danger signals, barricades, radios, noise, and smoking.

SECTION 6.17F. Protection of Existing Improvements and Property.

The CMGC shall take all necessary precautions to protect all existing improvements, facilities, and property from any damage resulting from the operations, equipment, or workers of the CMGC during the course of the construction, and CMGC shall be strictly liable for failure to adequately protect any existing improvements and/or facilities. Trees and shrubbery that are to remain, pole lines, fences, signs, survey markers and monuments, buildings and structures, conduits, under- or above-ground pipelines, and any other improvements and facilities shall be protected from injury or damage. If ordered by the SLDMWA, the CMGC shall provide and install suitable safeguards to protect such objects from injury or damage.

The CMGC shall take all necessary precautions to protect existing facilities against the effects of the elements, and CMGC shall be strictly liable for failure to adequately protect any facility.

The CMGC shall clean the portions of existing improvements and facilities which are used by, traversed, or dirtied by the workers on the Work, normal maintenance due to use by SLDMWA employees or the public excepted.

All improvements, facilities, or property injured or damaged by reason of the CMGC's operations, shall be replaced, repaired, and restored to their original condition without additional cost to the SLDMWA and without an extension of the Contract Time.

SECTION 6.17G. Traffic Signals and Traffic Control.

Existing signs, lights, traffic signals, control boxes, hydrants, meters, and other similar items occurring within the street or sidewalk areas shall be kept free of obstructions and accessible at all times. All such items shall be protected from the CMGC's operations and shall not be obliterated or obscured by its equipment or materials.

Should it be necessary to cover up, move, or alter such items, this shall be done only with permission of the authorities having jurisdiction over the items involved.

Should it be necessary to block a street or sidewalk, the CMGC shall first notify the SLDMWA and the police and fire departments and other agencies with jurisdiction, and shall comply with their instructions, including scheduling limitations.

SECTION 6.17H. Security of the Site.

The CMGC's attention is directed to Specifications Section 01 14 19 regarding requirements for fencing the site, gates, and screening.

SECTION 6.17(I). Removal of Barricades.

Upon completion of the work, the CMGC shall remove from the site all materials used for barricades, temporary scaffolding, or any other temporary uses.

SECTION 6.17J. Protection of Adjacent Property; Notices.

In addition to any requirements imposed by law, the CMGC shall shore up, brace, underpin, and protect as may be necessary all foundations and other parts of all existing structures on the site or adjacent to the site which are in any way affected by the excavations or other operations connected with the completion of the Work.

Prior to commencing any work which in any way affects adjoining or adjacent land or buildings thereon, or public utilities, the CMGC shall notify the SLDMWA, who will send the occupants thereof a notice that specifies the type of work to be done, the schedule of the work, the impacts expected from the work, and the protective measures being taken by the CMGC. The notice shall also specify that any person receiving notice who has questions regarding it may contact the SLDMWA.

Whenever any notice is required to be given to any adjoining or adjacent landowner, utility, governmental agency, or other party before commencement of any work, the notice shall be given by the CMGC at least seven days in advance of the work, or longer if required by law or regulation, with a copy delivered to the SLDMWA.

The CMGC shall, at the written instruction of the SLDMWA, meet with any recipient of such notice to explain and discuss the proposed work.

SECTION 6.17K. Work on Private Property.

The CMGC must obtain written permission from the owner of any privately-owned property prior to beginning any work, storing materials, or otherwise conducting any operations on said property. The written approval from the property owner must be on file with the SLDMWA before any operations will be permitted on said property.

SECTION 6.17L. Fire Protection.

The CMGC shall take all steps necessary to protect all structures from fires and sparks originating from the Work, shall comply with all laws and regulations regarding fire protection, and shall comply with all instructions of the fire department with jurisdiction.

The CMGC shall notify the SLDMWA and the fire department in writing at least 72 hours prior to disconnection of either water or electrical service to the Project site, and shall comply with the fire department's instructions regarding fire safety.

The CMGC must keep the fire and intrusion detection systems operational throughout the duration and scope of its work.

SECTION 6.17M. Repairs or Replacement.

Any damage to existing conditions, or to any other improvement or property above or below the surface of the ground, whether private or public, arising from performance of this Contract shall be repaired within 48 hours by the CMGC, without expense to the SLDMWA, unless disruption of SLDMWA operations or creation of a safety hazard has occurred, in which case damage will be corrected immediately.

If, in the opinion of the Engineer, the best interest of the SLDMWA requires that repairs be made prior to the execution of any further work, the SLDMWA will so notify the CMGC who shall delay or discontinue that part of the Work until the necessary repair has been made. Such delay shall be considered non-compensable, and no extension of the Contract Time will be granted therefore.

Upon the failure of the CMGC to comply with any such order, or upon the CMGC's failure to make immediate emergency repairs which are necessary to protect the Work, the SLDMWA may do that work itself as is necessary to protect life and property, in its sole discretion, and deduct the total cost of such work from the next progress payment. No prior notice to the CMGC shall be necessary for the SLDMWA to take this action.

SECTION 6.17N. Emergency Safety Actions.

In an emergency affecting the safety of life or property, including adjoining property, the CMGC, without previous instructions or authorizations from the SLDMWA, is authorized and shall act at its discretion and risk to prevent such threatened loss or injury, and the CMGC shall bear all costs of that action. The CMGC shall immediately notify the SLDMWA, and thereafter shall comply with any instructions issued by the SLDMWA.

SECTION 6.17(O). Work During Hours of Darkness.

Working areas utilized by the CMGC during the hours of darkness shall be illuminated to conform to the minimum illumination intensities established by Cal-OSHA, Construction Safety Orders, and the Traffic Control Plans (TCP).

SECTION 6.18. CONFINED SPACES.**SECTION 6.18A. CMGC Responsibilities and Qualifications.**

When working in a confined space, the CMGC shall comply with all confined space requirements of Title 8, General Industry Safety Orders (Cal-OSHA), Article 108, Sections 5156 through 5159.

Prior to any confined space entry, the CMGC shall submit for SLDMWA review:

1. The CMGC's procedures for confined space operations.
2. Copies of all documents and certificates that qualify the CMGC to safely perform work in permit-required confined spaces. The CMGC shall also submit all applicable Material Safety Data Sheets (MSDS) and hazard information on chemicals, products, materials, or procedures.
3. Sufficient documentation and evidence that a permit-required confined space entry can be made in accordance with Article 108. Documentation shall include, but not be limited to the following:
 - Equipment availability, suitability, and integrity.
 - Personnel training.
 - Experience.
 - Supervision.
 - Safety.
 - Accident experience.
 - Permit-required confined space policy.
 - Hot work procedures (if applicable).
 - Lock-out/tag-out procedures (if applicable).

The CMGC's submittal shall be made thirty (30) Calendar Days prior to any confined space entry.

The CMGC will not be allowed to make a permit-required confined space entry until the SLDMWA has reviewed the CMGC's qualifications and proposed methods.

The CMGC shall conform to the procedures established by the CMGC's submittal during all confined space operations. The CMGC shall provide all monitoring and safety equipment necessary to perform pre-entry checks of confined spaces. The CMGC shall also provide all monitoring, safety, and communications equipment required for confined space operations.

SECTION 6.18B. Existing Storm Sewers and Storm Drains.

Because of the potential danger of solvents, gasoline, and other hazardous material in existing sewers and storm drainpipes, these areas shall be treated as permit-required confined spaces unless it has been proven, through appropriate testing, that no hazards exist or are expected to develop.

SECTION 6.19. EXISTING UTILITIES.

SECTION 6.19A. General.

The CMGC shall coordinate and fully cooperate with the SLDMWA, utility owners, and governmental agencies for the location, relocation, and protection of utilities. The CMGC's attention is directed to the existence of utilities, underground and overhead, necessary for all buildings in the Work area. Before proceeding with trenching or other operations that may cause damage to existing utilities, CMGC shall, in accordance with Government Code Section 4216.2, arrange with utility owners for the location of existing utilities and shall arrange for the relocation of such facilities, if necessary, by the utility owner or the CMGC.

SECTION 6.19B. Maintenance and Protection.

Unless otherwise shown or specified in the Contract, the CMGC shall maintain in service all drainage, water, gas, sewer lines, power, lighting, telephone conduits, and any other surface or subsurface utility structure that may be affected by the Work. However, the CMGC, for convenience, may arrange with the SLDMWA to temporarily disconnect service lines or other facilities along the line of the Work. The cost of disconnecting and restoring such utilities shall be borne by the CMGC.

When connecting to existing utilities, CMGC shall expose all underground facilities that are to be connected to, or that might be affected by, the construction of the proposed improvements for verification of location and elevation prior to ordering materials.

Unless otherwise specified in the Contract Documents, the CMGC shall protect all existing utilities on all projects being constructed. The utility owner may elect to provide the necessary protective measures and bill the CMGC for the cost.

SECTION 6.19C. Exact Locations Unknown.

Where locations of existing utility facilities are shown on the Plans, they are approximate and represent the best information obtainable from utility maps and other information furnished by the various utility owners involved. The SLDMWA warrants neither the accuracy nor the extent of actual installations as shown on the Plans. There may be additional utilities on the property unknown to either party to the Contract. If, during the course of the Work, additional subsurface utilities are discovered, the SLDMWA may make adjustments to the Work. Compensation for such adjustments will be in accordance with Article 9, "Changes and Claims," of these General Conditions.

In accordance with Government Code Section 4215, the SLDMWA will compensate the CMGC for the costs of locating, repairing damage not due to the failure of the CMGC to exercise reasonable care, removing, relocating, or protecting existing main or trunk line utility facilities not indicated in the Plans and Specifications with reasonable accuracy, and for equipment on the Work necessarily idled during such work.

Compensation will be in accordance with Article 9, "Changes and Claims," of these General Conditions. Nothing herein shall be deemed to require the SLDMWA to indicate the presence of existing utility services, laterals, or appurtenances whenever their presence can be inferred from other visible facilities such as buildings, meters, junction boxes, valves, service facilities, identification markings, and other indicators on or adjacent to the Work.

If the CMGC discovers utilities not identified in the Plans or Specifications, the CMGC shall immediately notify the SLDMWA and the utility owner by the most expeditious means available and later confirm in writing. If the completion of the Work is delayed by failure of the SLDMWA or the utility owner to remove, repair, or relocate the utility, such delay may be an excusable delay as defined and provided for in Section 7.12B, "Excusable Delays," of these General Conditions. Nothing herein shall preclude the SLDMWA from pursuing any appropriate remedy against the utility for delays that are the responsibility of the utility. The CMGC shall not be assessed liquidated damages for delay in completion of the Work for that portion of such delay as is caused by failure of the SLDMWA or the owner of a utility to provide for the removal or relocation of existing utilities.

SECTION 6.19D. Damage to Existing Utilities.

The CMGC shall notify the affected utility of any contact, scrape, dent, nick, or damage to their facility. Any operator or excavator who negligently violates Government Code Section 4215 is subject to a civil penalty in an amount not to exceed ten thousand dollars (\$10,000). Any operator or excavator who knowingly and willfully violates Government Code Section 4215 is subject to a civil penalty in an amount not to exceed fifty thousand dollars (\$50,000).

SECTION 6.20. EXCAVATION AND TRENCH SAFETY.

SECTION 6.20A. Permit.

The CMGC must obtain a permit from the Division of Industrial Relations per Labor Code Section 6500, as specified in California Code of Regulations, Title 8, Article 6, Section 1539 "Permits" of the Construction Safety Orders, for all excavations five feet (5') or deeper to which an employee is required to descend. The permit shall be kept at the construction site at all times.

SECTION 6.20B. Shoring, Bracing, Shielding, and Sheeting.

In accordance with Labor Code Section 6705, at least five (5) Working Days in advance of excavation of any trench or trenches five feet (5') or more in depth, with a total value of twenty-five thousand dollars (\$25,000) or more, the CMGC shall submit to the SLDMWA a detailed plan showing the design of shoring, bracing, sloping, or other provisions for worker protection from the hazard of caving ground during the excavation of such trench or trenches. If such plan varies from the shoring system standards, the plan shall be prepared by a California Licensed Professional Civil or Structural Engineer. A signed copy of the detailed plan shall be on the site at the time of the excavation. Nothing in this Section shall be deemed to allow the use of a shoring, sloping, or protective system less effective than that required by the Construction Safety Orders. Nothing in this Section shall be construed to impose tort liability on the SLDMWA or any of its employees. These systems must support the sides of the excavation and prevent soil movement that could cause injury to any person or structure. Any damage resulting from a lack of adequate shoring, bracing, shielding, or sheeting shall be repaired at the CMGC's expense.

The CMGC shall immediately replace or repair any unsafe ladder, scaffolding, shoring, or bracing, or correct any other dangerous or hazardous situation that exists.

A Competent Person, as defined in California Code of Regulations, Title 8, Construction Safety Orders, Section 1504, "Definitions," shall be on site at all times when the CMGC's employees are working within the trench. A "Competent Person" is one who is capable of identifying existing and predictable hazards in the surroundings, or working conditions which are unsanitary, hazardous, or dangerous to employees, and who has authorization to take prompt corrective measures to eliminate them.

The price bid for work that will require an excavation of five feet (5') or deeper (or less if conditions warrant) includes the cost of adequate sheeting, shoring, and bracing, or equivalent method conforming to applicable safety orders, unless a separate Bid Item for such work is included in the Bid.

SECTION 6.21. OVERLOADING.

The CMGC shall determine safe loading capacities and shall not overload any structure, equipment, pavement, or material beyond its safe capacity, or significantly deteriorate the preconstruction condition, during construction. In addition to assuming full responsibility for bodily injury resulting from any such overloading, the CMGC shall repair to the SLDMWA's satisfaction or reimburse the SLDMWA for the costs of repairing the damage.

SECTION 6.22. APPROVAL OF CMGC'S PLANS NO RELEASE FROM LIABILITY.

The review or approval by the SLDMWA of any submittal, working drawing or any method of work proposed by the CMGC shall not relieve the CMGC of any of the CMGC's responsibility for any errors and shall not be regarded as any assumption of risk or liability by the SLDMWA or any officer, official, agent, employee, member, volunteer, affiliate, or their duly authorized representatives. The CMGC shall have no claim under the Contract because of the failure or partial failure or inefficiency of any reviewed or approved plan or method. The SLDMWA review or approval means that the SLDMWA has no objection to the CMGC using the proposed plan or method at the CMGC's responsibility and risk.

SECTION 6.23. CMGC SHALL NOT MORTGAGE EQUIPMENT.

The CMGC shall not mortgage or otherwise convey the title of the plant, machinery, tools, appliances, supplies, or materials that may at any time be in use, or further required or useful, in the prosecution of the Work, without prior written consent of the SLDMWA.

SECTION 6.24. PROPERTY RIGHTS IN MATERIALS.

Nothing in the Contract shall be construed as vesting in the CMGC any right of property in the materials used after they have been installed, attached, or affixed to the Work, and on which partial payments have been made by the SLDMWA. All such materials shall be the property of the CMGC and the SLDMWA jointly as their interests may appear, and shall not be removed from the Work by the CMGC without the SLDMWA's consent.

SECTION 6.25. CONFLICT OF INTEREST.

No official of the SLDMWA who is authorized on behalf of the SLDMWA to negotiate, make, accept, or approve, any engineering, inspection, construction, or materials supply contract, or any subcontract in connection with the construction of the Project, or any land acquisition in connection with the Project, shall become directly or indirectly interested personally in this contract or in any part thereof.

No officer, employee, attorney, engineer, or inspector of or for the SLDMWA who is authorized on behalf of the SLDMWA to exercise any executive, supervisory, or other similar function in connection with the construction of the Project shall become directly or indirectly interested personally in this contract or any part thereof.

SECTION 6.26. NO AGREEMENTS.

No oral agreement or conversation with any officer, agent, or employee of the SLDMWA, either before, during, or after the execution of the Contract Documents, shall affect or modify any term or condition contained in the Contract Documents, nor shall such oral agreement or conversation entitle the CMGC to any additional payment or time to perform whatsoever under the terms of this agreement.

ARTICLE 7. PROSECUTION OF THE WORK

SECTION 7.01. BEGINNING OF WORK.

No work may take place prior to receipt of the prescribed bonds and insurance and executed Contract. A Notice to Proceed will be issued which will constitute authorization to begin work. The counting of Contract Time shall begin upon issuance of the Notice to Proceed or other date as specified in that notice.

SECTION 7.02. AMOUNT OF WORK UNDER CONSTRUCTION.

The CMGC shall not have more work under construction than can be undertaken properly with regard to the rights of the public and the safety and integrity of the Project.

SECTION 7.03. NOT USED.

SECTION 7.04. WORK TO BE UNDERTAKEN WITH ADEQUATE SUPERVISION, LABOR FORCE, EQUIPMENT AND METHODS.

The CMGC shall undertake the Work under the Contract with all materials, tools, machinery, apparatus, and labor necessary to complete the Work as described, shown, or reasonably implied under the Contract, or as directed by the SLDMWA, within the Contract Time.

If CMGC is not diligently proceeding with the prosecution of the Work as set forth in the construction schedule, CMGC shall, immediately and at no additional cost to SLDMWA, take all measures necessary to ensure completion within the Contract Time, including but not limited to increasing the number of employees, working overtime, working additional shifts or crews, and working Sundays, or holidays, subject to approval by the SLDMWA for any work outside normal working hours and other Contract requirements.

SECTION 7.04A. Superintendence.

The CMGC shall keep on the Work, throughout its progress, a competent superintendent who shall have complete authority to represent and act for the CMGC. Such superintendent shall be capable of reading and understanding the Contract, and shall receive and follow any instruction given by the SLDMWA.

Whenever the CMGC or the CMGC's superintendent is not present on a particular part of the Work where it may be desired to give direction, orders will be given by the SLDMWA and shall be received and obeyed by the foreman or other representative who may have charge of the particular work in reference to which the orders are given, or the SLDMWA may stop the work until the CMGC or the CMGC's superintendent arrives.

SECTION 7.04B. Labor.

Workers, laborers, or mechanics skilled in each class of work shall accomplish every part of the Work. The CMGC is responsible for the efficiency, safety, and adequacy of its labor force and those of all Subcontractors.

SECTION 7.04C. Equipment and Methods.

Only equipment and methods suitable to produce the quality required by the Contract will be permitted to operate on the Work. If any part of the CMGC's plant, equipment, or methods of executing the Work is unsafe, inefficient, or inadequate to ensure the required quality or rate of progress of the Work, the SLDMWA may order the CMGC to modify the CMGC's facilities or methods. The CMGC shall promptly comply with such orders at the CMGC's expense. However, neither compliance with such orders nor failure of the SLDMWA to issue such orders shall relieve the CMGC from the obligation to secure the degree of safety, the quality of the Work, and the rate of progress required by the Contract. The CMGC is responsible for the safety, adequacy, and efficiency of its plant, equipment, and methods.

SECTION 7.05. SCHEDULES.

The CMGC shall submit a baseline schedule and updated schedules in accordance with this Section 7.05, Section 5.10, "CMGC's Submittals," of these General Conditions, and Specifications Section 01 31 30, which shall illustrate the CMGC's planned schedule for carrying out each Task of the Work and completing the Task within the Contract Time allotted to the Task. The CMGC's updated schedules shall show the as-built schedule with actual start dates and completion dates for work completed.

All schedules must show completion by any milestone dates required in the Contract Documents and within the Contract Time.

CMGC expressly waives any early completion delay claim. CMGC has the right to try to complete the Work ahead of any milestone date and/or the scheduled Contract completion date, but, if CMGC is somehow delayed from doing so, CMGC may not base a claim for additional compensation on such delay.

CMGC acknowledges that a purpose of submitting reasonable, accurate and adequate schedules is to protect the SLDMWA and CMGC against unjustified delay and disruption claims or unjustified rejections of such claims. CMGC agrees to devote all resources necessary to provide scheduling services, as with any other item of Work on the project. CMGC agrees that its failure to submit reasonable, accurate and adequate schedules will bar claims by CMGC for additional compensation and/or time extensions based on the information contained in such a schedule, including but not limited to delay, disruption, or inefficiency claims.

The SLDMWA will review all schedules for conformance with the Contract. SLDMWA review and/or approval of a schedule does not relieve the CMGC of responsibility for the feasibility of the schedule or for accomplishing milestones and completion within Contract Time, nor does SLDMWA review and/or approval warrant or acknowledge the reasonableness of the schedule's logic, durations, labor estimates, or equipment productivity. SLDMWA review and/or approval of a schedule does not indicate approval by the SLDMWA of the schedule, nor does it relieve CMGC of responsibility for any characteristics of the schedule that breach the Contract or that are unreasonable, inaccurate, inadequate, or deficient.

If no separate item is provided in the Bid Form for scheduling, the cost for preparing the baseline schedule and preparing updates and revisions of the baseline schedule shall be included in payments for mobilization. If no bid item for mobilization is included in the Bid Form, conformance with this provision is incidental to and included in the various bid items and no additional payment will be made. Updates and revisions of the schedules are included in the prices paid for other items of work.

Because the SLDMWA places a high value on project scheduling information as a management tool, the SLDMWA may deduct 10 percent (10%) of the monthly progress payment, but not more than twenty-five thousand dollars (\$25,000), for failure by CMGC to timely obtain approval of the baseline Contract schedule or to submit any monthly updated progress schedule with each monthly progress payment request. These deductions are cumulative, and may be made for every month that CMGC fails to provide the required information. If CMGC does not correct the deficiency by providing an updated schedule within ten (10) Days of submitting the monthly progress payment request, the deduction may become permanent via a deductive Change Order.

SECTION 7.05A. Baseline (Contract) Schedule.

Within ten (10) Days after receiving the Notice to Proceed for each Task, the CMGC shall submit a detailed proposed baseline schedule presenting an orderly and realistic plan for completion of the Task, in conformance with the requirements of the Specifications. The proposed baseline schedule shall be in electronic, native format and pdf.

The proposed baseline schedule shall be a time scaled critical path method (CPM) schedule and is subject to SLDMWA acceptance. The SLDMWA will review the proposed baseline schedule for conformance with the requirements of the Contract and, within twenty-one (21) Days after receipt, will approve the proposed baseline schedule or will return it with comments. If the proposed baseline schedule is not approved, CMGC shall revise the schedule to incorporate comments and resubmit the schedule for approval within seven (7) Days after receipt of comments. The approved baseline schedule shall become the Contract Schedule.

The Contract Schedule shall be the basis for evaluating job progress, payment requests, and time extension requests. The CMGC is responsible for developing the Contract Schedule and monitoring actual progress as compared to the schedule. Failure of the Contract Schedule to include any element of the Work or any inaccuracy in the Contract Schedule will not relieve CMGC from responsibility for accomplishing all the Work in accordance with the Contract. Approval of the Contract Schedule will not relieve the CMGC of the responsibility for accomplishing the Work in accordance with the Contract and the Contract Time.

SECTION 7.05B. Progress Schedules.

The CMGC shall submit to the SLDMWA each month with its payment application an electronic (native format and pdf) and hard copy up-to-date Progress Schedule with a narrative describing the general status of the Work and addressing any problem areas or delays, with impacts on critical path items of work highlighted. A corrective course of action shall also be included when problem areas or delays are encountered. The Progress Schedule shall be in the same software format and version as that used to create the Contract Schedule and comply with the requirements of Specifications Section 01 32 10. In addition, the Progress Schedules shall show:

1. The CMGC's estimated percentage complete and remaining duration for each activity not yet complete.
2. Actual start/finish dates for activities as appropriate.
3. Identification of processing errors, if any on the previous update reports.
4. Revisions, if any, to the assumed activity durations including revisions for weather impact for any activities due to the effect of the previous update on the schedule.
5. Identification of activities that are affected by requested or proposed changes to the Work.
6. Resolution of conflict between actual work progress and schedule logic. When out of sequence activities develop in the Contract Schedule because of actual construction progress, the CMGC shall submit revisions to schedule logic to conform to current status and direction.

The SLDMWA will review the updated schedule information and meet with the CMGC each month, unless the SLDMWA requests more frequent meetings, to determine the status of the Work. If agreement cannot be reached on any issue, the CMGC will use the SLDMWA's determination in the processing of the update.

Progress payments pursuant to the Contract will be based on the Progress Schedules.

SECTION 7.05C. Schedule Revisions.

If the sequence of construction differs significantly, as determined by the SLDMWA, from the Contract Schedule, the CMGC shall submit within fifteen (15) Calendar Days a revised schedule to the SLDMWA for approval.

When a requested or proposed change to the Work will have an impact on the critical path, the CMGC shall submit a Time Impact Analysis in accordance with Specifications Section 01 32 10 showing this impact. If the requested or proposed change is accepted by the SLDMWA, the Time Impact Analysis shall be incorporated into the Contract Schedule. Time extensions will be considered only to the extent there is insufficient remaining float to accommodate these changes, and pursuant to Sections 7.12, "Delays," and 7.18, "Extension of Time," of these General Conditions. No additional cost beyond that provided in Article 9, "Changes and Claims," of these General Conditions will be allowed for the incorporation of approved changes into the Contract Schedule.

Should the CMGC, after approval of the Contract Schedule, intend to change its plan of construction, it shall submit its requested revisions to the SLDMWA, along with a written statement of the revision, including a description of the logic for rescheduling the work, methods of maintaining adherence to Intermediate milestones and other specific dates and the reasons for the revisions. If the requested changes are acceptable to the SLDMWA, they will be incorporated into the Contract Schedule in the next reporting period.

The SLDMWA will have no less than seven (7) Calendar Days to review any proposed schedule revisions.

SECTION 7.05D. Short Interval Schedules.

The CMGC shall, if required by the SLDMWA, prepare Short Interval Schedules (SIS) throughout the duration of Work. The SIS shall include all current activities and projected activities for the succeeding two (2) weeks. The SIS shall include actual start/finish dates for the preceding one (1) week. The SIS shall be submitted to the SLDMWA prior to each progress construction meeting. The CMGC shall participate in short interval scheduling coordination during the progress construction meetings.

SECTION 7.05E. Float.

All float in any activity or in the overall Schedule is owned by the Project and, as such, is a resource available to both the SLDMWA and the CMGC. Neither the SLDMWA nor the CMGC owns the float time.

Unless otherwise provided herein, float is synonymous with total float and total float is the period of time measured by the number of Working or Calendar Days (as specified in the Contract) any non-critical path activity may be delayed before it and its succeeding activities become part of the critical path. If a non-critical path activity is delayed beyond its float period, then that activity becomes part of the critical path and controls the completion date of the Work. Thus, delay of a non-critical path activity beyond its float period will cause delay to the Contract itself.

Acceptance of any schedule based on less time than the maximum time allowed for accomplishment of milestones or Contract completion within Contract Time does not serve to contractually change any Contract duration, nor does it serve as a waiver of either the CMGC's or the SLDMWA's right to utilize the full amount of time specified in the Contract.

SECTION 7.05F. SLDMWA's Right to Revise the Schedule.

In the event of a delay to critical path work which is not the fault of the CMGC, the SLDMWA may elect to re-sequence work or otherwise modify the Contract Schedule in an attempt to minimize the effect of the delay. It shall be the responsibility of the CMGC to cooperate in this effort. It is not the SLDMWA's responsibility to ensure the CMGC the ability to use "optimal" crew size throughout the Project, and no adjustment of the Contract Sum will be made for minor variations in crew size or claimed loss of efficiency or disruption that result from schedule adjustments. However, overtime work or weekend work required by the SLDMWA to meet schedule objectives other than those of the CMGC will be reimbursed per the provisions of Article 9, "Changes and Claims," of these General Conditions, provided that the CMGC has not contributed to the delay which the SLDMWA is seeking to overcome and the CMGC was not otherwise intending to perform overtime or weekend work to complete the required Work, or any portion thereof, within the scheduled time. If the CMGC contends that a schedule adjustment will cause a significant disruption of its work sequence or ability to perform work efficiently, it shall notify the SLDMWA within forty-eight (48) hours of receipt of the adjustment. Failure to provide timely notice constitutes a waiver by the CMGC of any claim for compensation arising out of the schedule adjustment.

SECTION 7.05G. Responsibility for Completion.

The CMGC shall furnish sufficient manpower, materials, facilities and equipment and shall work sufficient hours, including night shifts, overtime operations, Sundays, and holidays (in accordance with Section 7.08) as may be necessary to insure the progression and completion of the Work in accordance with the Contract Time. If work on the critical path is behind the currently updated Progress Schedule and it becomes apparent that the Work will not be completed within the Contract Time, the CMGC will implement whatever steps it deems necessary to make up all lost time at no additional cost to the SLDMWA. If the CMGC's solution is not successful, it will make further attempts using the following sequence of events:

1. Reschedule activities to achieve maximum practical concurrence of accomplishment of activities.
2. If the above cannot be achieved then;
 - a. The CMGC shall increase manpower in such quantities and crafts as will substantially eliminate, in the judgment of the SLDMWA, the backlog of work; or increase the number of working hours, shifts per working day, working days per week or the amount of equipment or any combination of the foregoing sufficiently to substantially eliminate in the judgment of the SLDMWA the backlog of work.

- b. In addition, the SLDMWA may require the CMGC to submit a recovery schedule demonstrating its program and proposed plan to make up a lag in scheduled progress and to ensure completion of the Work within the Contract Time. If the SLDMWA finds the proposed recovery schedule unacceptable, it may require the CMGC to submit a new plan and may require the CMGC to address any of the actions set forth in the previous paragraph.

Failure of the CMGC to comply with the requirements of this Section 7.05G shall be considered grounds for a determination by the SLDMWA that the CMGC is failing to undertake the Work with such diligence as will ensure its completion within the time specified and will subject the CMGC to all rights and remedies of the SLDMWA under the Contract Documents.

SECTION 7.06. UNUSUAL SITE CONDITIONS.

The CMGC shall promptly upon discovery, and before the following conditions are disturbed, notify the SLDMWA, in writing, of any:

1. Material that the CMGC believes may be hazardous waste, as defined in Section 25117 of the Health and Safety Code, that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law.
2. Subsurface or latent physical conditions at the site differing from those indicated in the Contract.
3. Unknown physical conditions at the site of any unusual nature, differing materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract.

Upon receipt of notice from the CMGC, the SLDMWA shall promptly investigate the conditions. If it is determined that the conditions do materially so differ or do involve hazardous waste, and that the conditions cause a decrease or increase in the CMGC's cost of, or the time required for, performance of any part of the Work, then the SLDMWA shall issue a Change Order or Directive under the procedures described in the Contract Documents.

In the event that a dispute arises between the SLDMWA and the CMGC as to whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in the CMGC's cost of, or time required for, performance of any part of the Work, the CMGC shall not be excused from any scheduled Completion Date provided for by the Contract Documents, but shall proceed with all work to be performed under the Contract Documents. The CMGC shall retain any and all rights provided either by the Contract Documents or by law which pertain to the resolution of disputes and protests between the contracting parties.

No contract adjustment which results in a benefit to the CMGC will be allowed unless the CMGC has provided the required written notice set forth in this Section 7.06.

No contract adjustment will be allowed under the provisions specified in this section for any effects caused on unchanged work.

No contract adjustment will be made if (a) the CMGC knew of the condition at the time of contracting, (b) the condition reasonably could have been discovered or revealed by any Site examination, investigation, exploration, test, or study expressly required by the Contract Documents to be performed by or for the CMGC before committing to price or time, or (c) the existence of such condition reasonably could have been discovered or revealed as a result of any examination, investigation, or study of the Contract Documents and/or Reference Documents prior to execution of the Contract.

As between the Parties, the SLDMWA shall be considered the generator and assume generator responsibility for: (a) Known or Suspected Hazardous Materials; (b) any spill of hazardous material by the SLDMWA or a third party who is not acting in a capacity of, on behalf or under the authority or permission of the CMGC; and (c) any Unknown Hazardous Materials.

Nothing in the previous paragraph shall alter or modify CMGC's obligations under this Agreement. CMGC may list the SLDMWA as the "generator" under applicable laws of hazardous materials on all manifests and other waste tracking records.

Notwithstanding the foregoing and without limiting CMGC's obligations or responsibility for losses associated any release of hazardous materials as set forth in this Agreement, CMGC (and not the SLDMWA) shall be considered the generator for all hazardous materials it brings or in connection with the Project.

SECTION 7.07. PURSUANCE OF WORK DURING INCLEMENT WEATHER.

During inclement or unsuitable weather or other unfavorable conditions, the CMGC shall pursue only such portions of the Work that will not be damaged by the weather or unfavorable conditions. When the weather or unfavorable conditions creates hazardous travel or working conditions, as determined by the SLDMWA, the CMGC may be directed to stop that portion of the Work, in accordance with Section 5.24, "Temporary Suspension or Delay of Work," of these General Conditions, until the weather clears or the conditions are no longer unfavorable. The CMGC must keep roads safe and inspect and maintain stormwater pollution prevention and erosion control devices during

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inclement weather or unfavorable conditions. Lane and road closures may not be allowed if the SLDMWA determines that the traffic controls will create unnecessary risk to the traveling public, the CMGC, and/or SLDMWA employees.

SECTION 7.08. PEAK HOURS, HOURS OF DARKNESS, HOLIDAYS, AND WEEKENDS.

SECTION 7.08A. Allowable Times and Hours of Work.

Unless otherwise noted in the Contract Documents or approved by the SLDMWA, no work shall be done between the hours of 6 p.m. and 7 a.m., or Sundays, or Legal Holidays.

SECTION 7.08B. Off-Period Work.

A written request to work between 6 p.m. and 7 a.m. or on Sundays, or Legal Holidays must be submitted at least two (2) Working Days in advance of the intended work. The SLDMWA will evaluate the CMGC's request to determine if there is a benefit to the SLDMWA, a nuisance or a hazard to the public, the Project, or the area surrounding the site, and if the CMGC should pay any SLDMWA overtime costs related to the off-period work. The SLDMWA may place conditions on any approval of off-period work based on this analysis.

SECTION 7.08C. Emergency Repairs.

An emergency repair is a repair to the Work required as a result of an unforeseen event that poses a danger to the public or jeopardizes the integrity of the Work, whether completed or not. The CMGC may be allowed to work at night, on Sundays, or Legal Holidays for an emergency repair. The CMGC must notify the SLDMWA within one (1) hour of dispatch of the CMGC's repair crews, and give their names, an emergency contact number, the location of the emergency repair, and a tentative completion date and time. The CMGC shall notify the SLDMWA when the emergency repair is completed. If an extension of time is required, the CMGC must identify the requested time extension and rationale for the proposed extension. If an adjustment to the Contract Sum is required, the CMGC shall notify the SLDMWA of all proposed adjustments necessitated by the emergency and emergency repair.

SECTION 7.08D. Revocation of Permission For Off-Period Work.

The SLDMWA may revoke permission for off-period work if the CMGC endangers the public, an employee, or themselves by violating a safety and health regulation, or fails to maintain an adequate work force and equipment for reasonable prosecution and inspection of such work.

SECTION 7.08E. Working Shifts.

Two- or three-shift operations may be established as a regular procedure by the CMGC upon written permission from the SLDMWA. Such permission may be revoked if the CMGC fails to comply with applicable safety and health regulations, fails to provide for adequate inspection of the Work, or fails to provide sufficient means and equipment, including artificial light, to permit the Work to be carried out safely and appropriately and to permit proper inspection.

SECTION 7.09. TEMPORARY FACILITIES AND SERVICES.

Unless specified otherwise in the Contract Documents, the CMGC shall be responsible for providing and maintaining necessary material storage facilities, utilities, field offices, temporary roads, fences, security, etc. for prosecuting the Work.

SECTION 7.10. PROTECTION OF WORK, PERSONS AND PROPERTY.

The CMGC shall protect the Work, equipment and materials from damage until completion and acceptance of the Work. Neither the SLDMWA nor any of its agents assume any responsibility for collecting funds from any person or persons that damages the CMGC's work.

The CMGC shall store materials and equipment in accordance with manufacturer's recommendations and erect such temporary structures as required to protect them from damage. The CMGC shall furnish guards, fences, warning signs, walks, and lights, and shall take all other necessary precautions to prevent damage or injury to persons or property.

SECTION 7.11. PROOF OF COMPLIANCE WITH CONTRACT.

When requested by the SLDMWA, the CMGC shall submit properly authenticated proof of the CMGC's compliance with the Contract.

SECTION 7.12. DELAYS.

The CMGC shall provide notification to the SLDMWA for any delays, in accordance with Section 7.13, "Notice of Delays," of these General Conditions.

SECTION 7.12A. Inexcusable Delays.

The CMGC shall not receive any time extensions or additional monetary compensation for inexcusable delays. Inexcusable delays include, but are not limited to, the following:

1. Delays that affect only a portion of the Work but do not prevent or delay the prosecution of controlling items of work nor the completion of the whole Work within the Contract Time.
2. Delays associated with the reasonable interference of other CMGCs employed by the SLDMWA that do not necessarily prevent or delay the prosecution of controlling items of work or the completion of the whole Work within the Contract Time.
3. Delays associated with loss of time resulting from the necessity of submitting plans for SLDMWA approval or from SLDMWA surveys, measurements, inspections, and testing.
4. Delays that could have been avoided by the exercise of care, prudence, foresight, and diligence on the part of the CMGC or Subcontractors.

SECTION 7.12B. Excusable Delays.

The CMGC may be granted an extension of Contract Time for excusable delays, which are those that are determined to be beyond the control of the CMGC, impact a controlling item of work, could not be prevented by the exercise of care, prudence, foresight, and diligence, and only to the extent there is insufficient remaining float to accommodate the delay. These excusable delays may include SLDMWA acts, Change in Law, unusually severe weather or conditions resulting therefrom, Acts of God or of the public enemy, fire, epidemics, and labor strikes. Material shortages and delays in utility company relocations may be classified as excusable if the CMGC produces satisfactory evidence of acting in a timely manner.

The CMGC shall not receive any additional monetary compensation due to excusable delays unless the SLDMWA determines that the excusable delay resulted from an SLDMWA act, a Change in Law, an unknown existing utility facility as set forth in Section 6.19C, unusual site conditions as set forth in Section 7.06 of these General Conditions, or the discovery of archeological and cultural resources. The CMGC shall also not receive any additional monetary compensation due to excusable delays under the following circumstances:

1. The CMGC could have reasonably anticipated the delay and avoided the cost impacts of it.
2. When there are two (2) or more concurrent delays and at least one does not qualify for monetary compensation under Section 7.12.
3. The excusable delay does not affect controlling critical path tasks that would delay overall completion of the Work.

SECTION 7.13. NOTICE OF DELAYS.

The CMGC shall immediately notify the SLDMWA in writing delivered by personal delivery, or email, if the CMGC foresees any delay in the prosecution of the Work or if the CMGC learns of the occurrence of any excusable delay; but in no case shall the written notice be provided to the SLDMWA later than five (5) Working Days after the occurrence of the event that is the cause of the excusable delay. The CMGC shall describe in this notice the nature and cause of the delay and shall state the probability of the delay occurring (if foreseen ahead of time) so the SLDMWA may take steps to prevent the occurrence or continuance of the delay and may determine whether the delay is inexcusable or excusable, its duration, and its extent. Notification of delays in any other format than described herein, including, without limitation, in progress meetings and regardless of whether noted in the progress meeting minutes, is insufficient to constitute the required and proper notice.

In the event of a continuing delay, the CMGC is required to give only one notice.

The SLDMWA will assume that all delays were inexcusable unless the SLDMWA was notified as indicated above and through its investigation found them excusable. CMGC waives any and all claims for time extensions and/or monetary compensation based on delay if notice is not provided as described above. The CMGC acknowledges that SLDMWA has a strong interest in mitigation of delay impacts and in confirmation of the existence of delay; therefore, the CMGC agrees to submit these notices of delay and to waive claims if notice is not submitted as required.

SECTION 7.14. CARELESS DESTRUCTION OF STAKES AND MARKS NO CAUSE FOR DELAY.

If the CMGC or Subcontractors destroy stakes and marks causing a delay in the Work, the CMGC shall have no claim for damages or time extensions.

SECTION 7.15. TIME OF COMPLETION.

Time is of the essence on all SLDMWA contracts. The CMGC shall complete all of the Work called for under the Contract within the Contract Time.

SECTION 7.16. EXTENSION OF TIME NOT A WAIVER.

Time extensions granted for excusable delays or for the execution of extra or additional work shall not operate as a waiver of any of the SLDMWA's rights under the Contract.

SECTION 7.17. INCLEMENT WEATHER AND CONTRACT TIME.

The CMGC will be allowed a time extension if, in the opinion of the SLDMWA, inclement or unsuitable weather or its effects prevents working on the current critical path task at the beginning of the shift for at least five (5) consecutive hours, or for at least (5) hours during the shift. (A current critical path task or controlling operation is any feature of the Work (e.g., an operation or activity including settlement, curing periods, and submittal activities) that, if delayed or prolonged, will delay the time of completion of the Contract.)

SECTION 7.18. EXTENSION OF TIME.

Subject to the provisions of Section 7.12B, compliance with the required contractual notice provisions in Section 7.13, and subject to submission of a Time Impact Analysis in accordance with Specification Section 01 32 10 showing the impact on the critical path of the event giving rise to an excusable delay, the CMGC will be allowed a time extension to complete the Work equal to the sum of all excusable delays as determined in accordance with Section 7.12 to Section 7.17 of these General Conditions, plus any adjustments in Contract Time due to Change Orders as outlined in Section 9.11, "Time Extensions for Changes," of these General Conditions. During such time extension, the CMGC will not be charged for extra engineering and inspection or liquidated damages.

If the time extension is compensable, the Contract Sum will be adjusted as set forth in Section 9.09 of these General Conditions.

SECTION 7.19. SUBSTANTIAL COMPLETION.

When the CMGC considers the entire Work, or a specific Task, substantially complete, the CMGC shall certify in writing to the SLDMWA that the Work or Task is substantially complete and request that the SLDMWA grant substantial completion. Within five (5) Working Days, the SLDMWA and the CMGC shall inspect the Work of the Task to determine the status of completion. If the SLDMWA does not consider the Work ready for its intended use, the SLDMWA will notify the CMGC in writing, giving the SLDMWA's reasons. If the SLDMWA considers the Work ready for its intended use, the SLDMWA will grant Substantial Completion of the Task or the overall Work, and then the SLDMWA will provide a list of items to be completed or corrected (often referred to as a "deficiency list" or "punch list") before Final Acceptance and Final Payment. Immediately upon being provided a deficiency list, the CMGC shall proceed to correct or complete the items on the list.

Substantial Completion does not bar liquidated damages from being assessed and accruing. Liquidated and other damages may continue to accrue until Completion.

SECTION 7.20. CLEANING UP.

Throughout the construction period, the CMGC shall keep the site of the Work in a presentable condition, dispose of any surplus materials, keep roadways reasonably clear of dirt and debris, keep all sidewalk and other pedestrian areas clear of dirt, loose gravel, debris and any tripping hazards, clean out all drainage ditches and structures, and repair any fences or other property damaged during the progress of the Work, to the satisfaction of the SLDMWA.

The CMGC shall also keep the work site cleaned of all rubbish, excess material, and equipment. All portions of the work shall be left in a neat and orderly condition prior to requesting final inspection. The final inspection will not be made until final cleanup has been accomplished.

Construction and demolition debris may be properly disposed of by the CMGC using self-haul equipment to deliver the debris to an approved disposal site.

SECTION 7.21. FINAL INSPECTION AND FIELD ACCEPTANCE.

The CMGC shall notify the SLDMWA in writing when it believes that it has corrected all items on the deficiency (punch) list and has achieved Completion of the Task, and the SLDMWA shall promptly inspect the Work. The CMGC or the CMGC's representative shall be present at the final inspection for each Task. The CMGC will be notified in writing of any further defects or deficiencies and the CMGC shall proceed to correct such defects or deficiencies within ten (10) Calendar Days. When again notified that the CMGC has achieved Completion of the Task, the SLDMWA will again inspect the Work to ascertain that the corrections are in accordance with the Contract and Completion of the Task has occurred. The SLDMWA may delay additional inspections if the SLDMWA has reason to believe that the CMGC is not making a good faith effort to correct deficiencies. The Engineer will recommend acceptance of the Task to the SLDMWA if it finds all the corrections acceptable and Completion of the Task has occurred, including without limitation submittal of all close-out documents; otherwise, the Engineer shall continue to withhold field acceptance of the work until all deficiencies on the deficiency (punch) list are corrected and Completion of the Task is achieved.

SECTION 7.22. FINAL ACCEPTANCE AND NOTICE OF COMPLETION.

Upon Completion of all Work for any Task, including but not limited to acceptance of O&M manuals, Record Drawings, test reports, the Guarantee Form, and any other close-out documents required by the Contract Documents, the Engineer will recommend to the SLDMWA that it accept the Task as complete. Upon Final Acceptance of all Tasks to be issued under the Contract by the SLDMWA, a Notice of Completion may be recorded with the County Recorder within fifteen (15) Calendar Days. Final Acceptance of each Task by the SLDMWA shall cause the commencement of the warranty period for such Task. Final Acceptance of any Task shall not relieve the CMGC from the responsibility of completing or correcting any work, nor from the responsibility to correct any patent or latent defects in the Work.

SECTION 7.23. WARRANTY WORK.

Should any defects or deficiency in material, equipment, or workmanship, such as faulty materials, poor workmanship, defective equipment, or any other reason that can be attributed to CMGC's performance, become apparent during the warranty period, the SLDMWA shall notify CMGC in writing of the defect before expiration of the warranty period. If so notified, CMGC has a duty to immediately correct, or immediately and satisfactorily commit to correct, the defect or deficiency to meet the Contract requirements at CMGC's sole expense. This duty to correct does not expire for any reason, including but not limited to expiration of the warranty period. A new warranty period, equivalent to the original warranty period, will apply to all corrected deficiencies, not to exceed a maximum of 24 months from the commencement of the warranty period.

The SLDMWA is hereby authorized to make such needed repairs if the CMGC fails to undertake, with due diligence, the needed repairs within ten (10) Calendar Days after the CMGC is given written notice of such failure and without notice to the surety; and the CMGC shall pay the entire costs for the SLDMWA's work. However, in case of an emergency where, in the opinion of the SLDMWA, delay would cause serious loss or damages or a serious hazard to the public, the SLDMWA may immediately make repairs or take other action without prior notice to the CMGC or surety; and the CMGC shall pay the entire costs for the SLDMWA's work.

ARTICLE 8. MEASUREMENT AND PAYMENT

SECTION 8.01. BASIS AND MEASUREMENT OF PAYMENT QUANTITIES.

It is the CMGC's responsibility to measure and/or compute the quantities of work completed, subject to verification by the SLDMWA, under the terms of the Contract. In computing quantities, the length, area, solid contents, number, weight, or time as specified in the Contract or the Schedule of Values shall be used.

SECTION 8.01A. Unit Price Tasks.

Payment for all work contracted at a price per unit of measurement will be based upon the actual quantities of work as measured upon completion. The SLDMWA does not express or imply that the actual amount of work or materials will correspond to any estimated quantities. The CMGC shall make no claim nor receive any compensation for anticipated profits, loss of profit, damages, or any extra payment due to any difference between the amount of work actually completed, or materials or equipment furnished, and the estimated quantities. See also Section 9.13, "Contract Change Order", of these General Conditions.

SECTION 8.01B. Lump Sum Tasks.

Progress Payments will be based on the Schedule of Values prepared by the CMGC and approved by the SLDMWA prior to acceptance of the first progress payment request (see Section 8.05, "Progress Payment Procedures," below). If requested by the SLDMWA, the CMGC shall furnish full copies of subcontracts showing actual costs. The Schedule of Values shall be consistent with the baseline progress schedule prepared by the CMGC pursuant to Section 7.05B, "Progress Schedules," of these General Conditions.

SECTION 8.01C. Payment for Mobilization.

Mobilization shall consist of preparatory work and operations, including, but not limited to, those necessary for the movement of personnel, equipment, supplies, and incidentals to the site; for the establishment of all offices, buildings, and other facilities necessary for the Work; and for all other work and operations which must be performed, or costs incurred, prior to beginning the Work.

Payment for mobilization will be as follows:

1. Mobilization Not a Pay Item

When the Contract does not include a separate pay item for mobilization, full compensation for mobilization will be included in the Contract lump sum price or in the prices paid for the various items of work in a unit price contract, and no additional compensation will be paid.

2. Mobilization a Pay Item

When the Contract or accepted Schedule of Values includes a separate item for mobilization, payment for mobilization will include full compensation for the furnishing of all labor, materials, tools, equipment, administrative costs, and incidentals for mobilization. The SLDMWA will pay no greater than five percent (5%) of the Contract Sum as a separate pay item for mobilization. In the event the CMGC submits a mobilization pay item greater than five percent (5%) of the Contract Sum, the SLDMWA will pay any excess mobilization amount with the final progress payment.

Absent SLDMWA approval, the SLDMWA will not pay additional mobilization compensation for work under a Change Order.

Payment for mobilization shall be subject to retention per Section 8.07, "Retention," of these General Conditions.

SECTION 8.01D. Payment for Close-Out Documents.

Close-out documents shall consist of O&M manuals, Record Drawings, test reports, the Guarantee Form, conditional waivers and releases on final payment in the form prescribed by Civil Code section 8136 from CMGC and all Subcontractors and suppliers for final unpaid amounts, unconditional waivers and releases on progress payment in the form prescribed by Civil Code section 8134 from CMGC and all Subcontractors and suppliers for all work through the prior progress payment, and any other close-out documents required by the Contract Documents.

The Schedule of Values shall include an item for close-out documents of not less than five percent (5%) of the Contract Sum. Payment for close-out documents shall not be due until all required close-out documents have been submitted, absent SLDMWA approval.

SECTION 8.02. SCOPE OF PAYMENT.

SECTION 8.02A. General.

Compensation under the terms of the Contract shall be full payment for the Work, including loss or damage arising from the nature of the Work, action of the elements, or unforeseen difficulties encountered during the prosecution of the Work and until its final acceptance; and all risks connected with the prosecution of the Work.

SECTION 8.02B. Unit Price Task.

Progress payments will be made based upon the unit price bid and measured quantities for work completed, plus work completed on approved Change Orders. For compensation for alterations in quantities of work, including deviations greater than twenty-five percent (25%), see Section 9.97B, "Payment for Changes – Unit Prices," in these General Conditions.

SECTION 8.02C. Lump Sum Task.

Progress payments will be based upon the approved Schedule of Values for work completed, plus work completed on approved Change Orders.

SECTION 8.02D. Allowances.

Allowances may be included for materials and/or work that may be added during the course of the Contract. The Allowance may be used in whole, in part, or not at all as determined by the SLDMWA. Whenever costs of the Work included in the Allowance item are more or less than the specified Allowance amount, the Contract Sum will be adjusted accordingly by Contract Change Order. The CMGC shall make no claim nor receive any compensation for anticipated profits, loss of profit, damages, or any extra payment due to any difference between the amount of work actually completed, or materials or equipment furnished, and the estimated quantities for the Allowance stated in the Solicitation Documents.

SECTION 8.02E. Payment for Material Not Incorporated in the Work.

No Progress payments will be made for materials and equipment not incorporated in the Work, unless specifically set forth in the Contract Documents or authorized by the SLDMWA.

SECTION 8.03. WORK TO BE DONE WITHOUT DIRECT PAYMENT.

Compensation for any portion of the Work not specifically identified in the Bid Form or Schedule of Values is understood to be included in the price for other items, unless specified in the Contract Documents as extra work. No additional compensation is allowed for additional shifts or premium pay necessary to ensure that the Work is completed within the time limits specified in the Contract.

SECTION 8.04. PAYMENT FOR USE OF COMPLETED PORTIONS OF WORK.

If the SLDMWA occupies or uses a portion of the Contract work under Section 4.12, "Use of Completed Portions," of these General Conditions, before it accepts Completion of the Work, the CMGC will only be compensated in accordance with this Article 8. No final payment shall occur for a limited portion of the work.

SECTION 8.05. PROGRESS PAYMENT PROCEDURES.

No progress payment will be made when, in the judgment of the SLDMWA, the Work is not proceeding in accordance with the provisions of the Contract or when the total work done since the last progress payment amounts to less than one thousand dollars (\$1,000). Unless otherwise agreed to at the preconstruction meeting or identified in the Contract Documents, the CMGC shall submit in writing monthly for SLDMWA review an estimate of the total amount and value of work done, including that done under approved Change Orders, and the acceptable materials furnished and incorporated in the work completed through the last day of the previous pay period. The Bid Form or Schedule of Values shall be used to prepare a progress payment request for the items, or portions of items, of the Work completed during the monthly progress period.

Any progress payment request must be accompanied by (1) an updated Progress Schedule that complies with the Contract; (2) record drawing update confirmations; (3) a conditional lien release in the form prescribed by law warranting that title to all work, labor, materials, and equipment covered by the request is free and clear of all liens, claims, security interests, and encumbrances; and (4) unconditional lien releases for all work through the prior progress payment. If CMGC fails to submit these documents with the progress payment request, then SLDMWA, in its sole discretion, may withhold part of the progress payment or reject the progress payment request with an explanation in writing of the reason. CMGC may resubmit the progress payment request with the required documents. SLDMWA has no obligation to process the progress payment request or make a progress payment if CMGC fails to provide these required documents.

If the required documents are submitted with the progress payment request, then the SLDMWA shall review any progress payment request submitted by CMGC to determine its accuracy and validity. Any payment request determined not to be a proper payment request suitable for payment shall be returned to the CMGC as soon as practicable, but not later than seven days, after receipt, along with a document stating the reasons why the payment request is not proper. Once the SLDMWA has an undisputed and properly submitted payment request from CMGC, the progress payment shall be made within 30 days of its submission.

Once the SLDMWA agrees with CMGC as to the amount of Work completed as of the date of the progress payment request, the SLDMWA shall deduct the following from the estimated total value of that amount of Work: All previous payments, the retention previously withheld pursuant to Section 8.07, "Retention," of these General Conditions, and other withholdings as permitted by the Contract. The SLDMWA will then approve the balance for payment to the CMGC, with retention being withheld from that approved payment as described in Section 8.07 of these General Conditions.

The payment of a progress payment or the acceptance thereof by the CMGC does not constitute acceptance by the SLDMWA of any portion of the Work, and does not reduce the CMGC's liability to replace unsatisfactory work, material, or equipment for any or the Work, whether or not completed. Approval by the SLDMWA of a progress payment request that contains an inadvertence or error by the CMGC will not release the CMGC or the CMGC's surety from damages arising from the work covered by the approved payment request or from enforcement of every provision of the Contract. The SLDMWA also has the right to correct any error made in any Progress Payment and may withhold as much payment as necessary to correct the error in later progress payments.

SECTION 8.06. INSPECTION AND PROGRESS PAYMENTS NOT A WAIVER OF CONTRACT PROVISIONS.

No inspection, order, measurement, approval, modification, payment, acceptance of work or material (including, but not limited to, acceptance of the entire Work), time extension, or possession of the Work or any part thereof shall be a waiver of any of the terms and conditions of the Contract, the powers reserved by the SLDMWA, or any right of the SLDMWA to damages or to reject the Work in whole or part. No waiver of any breach of this Contract or failure to enforce any Contract requirement in any instance shall be construed a waiver of any other or subsequent breach. All remedies provided in the Contract shall be cumulative and shall be in addition to all other rights and remedies that may exist at law or in equity.

SECTION 8.07. RETENTION.

SECTION 8.07A. Retention to Ensure Performance.

The SLDMWA will retain five percent (5%) of each approved progress payment to ensure performance under the Contract. The parties acknowledge that some of the purposes of retention under this Contract are to encourage the CMGC to reach Completion in accordance with the schedule, to ensure that CMGC completes the Work in its entirety, and to provide funds from which the SLDMWA may withhold for disputes, costs, and claims under Section 8.08, "Withholdings/Denial of Progress Payment Request," of these General Conditions.

Retention will be held by the SLDMWA until at least thirty-five (35) Calendar Days, but no more than sixty (60) Calendar Days, after recording of the Notice of Completion for each Task. However, the SLDMWA may continue to withhold some or all of the retention beyond 60 days to the extent that any disputed amounts or Stop Payment Notices

or liquidated damages exist, in which case the SLDMWA may withhold 150% of the disputed amount and 125% or more of outstanding Stop Payment Notices and full amount of liquidated damages.

SECTION 8.07B. Non-Compliance.

In addition to the five percent (5%) payment retention discussed above, the SLDMWA may also retain portions or all of a progress or final payment for CMGC's noncompliance with the Contract in an amount deemed appropriate by the SLDMWA.

SECTION 8.07C. Substitution of Securities.

At the request and expense of the CMGC, in accordance with Public Contract Code Section 22300, in lieu of the SLDMWA withholding the five percent (5%) retention defined in Section 8.07 of these General Conditions, the CMGC may: (1) substitute a deposit of securities at least equivalent to the retention to be paid, or (2) request that the SLDMWA pay the withheld retention directly to an escrow agent. If the CMGC elects either option, the CMGC and SLDMWA shall enter an escrow agreement in the exact form set forth in Public Contract Code Section 22300.

SECTION 8.08. WITHHOLDINGS/DENIAL OF PROGRESS PAYMENT REQUEST.

The SLDMWA may deny a progress payment request and/or withhold amounts from a progress payment and/or withhold a release of retention for any of the following reasons:

- Stop payment notices filed pursuant to Civil Code Sections 9350 et seq., including but not limited to a reasonable amount to provide for the SLDMWA's reasonable cost (including but not limited to attorneys' fees and experts' fees) of litigation based on the stop notice;
- Fines levied against CMGC or the Work by the SLDMWA or other entities;
- Third party claims against CMGC or the SLDMWA arising from the acts or omissions of CMGC or its Subcontractors;
- Defective Work not remedied;
- Previous overpayments to CMGC;
- Failure by the CMGC to make payments properly to employees or Subcontractors for labor, materials, or equipment;
- Any portion of the Work retained in accordance with Section 5.22, "Right to Retain Imperfect Work," of these General Conditions;
- The Work may not be completed for the unpaid balance of the Contract sum;
- The Work may not be completed within the Contract Time and the SLDMWA will incur actual and/or liquidated damages;
- Review of excessive resubmittals, and excessive inspections or tests;
- Replacement of survey stakes and excessive survey work;
- Failure by the CMGC to maintain and update Record Drawings;
- Damage to the SLDMWA or another CMGC;
- Failure by the CMGC to perform the Work in accordance with the Contract;
- Failure by CMGC to submit the necessary documents with a progress payment request, including failure to timely submit an unconditional waiver on final payment in the form required by Civil Code section 8138 for any Task which is complete and on which the CMGC has been paid retention;
- Cost of insurance purchased by SLDMWA due to cancellation or reduction of coverage of CMGC's insurance;
- Failure by CMGC to make proper submissions under the Contract;

- Any violation or non-compliance with CMGC's legal responsibilities (see Article 6, "Legal Relations and Responsibilities," of these General Conditions), including, without limitation, withholds for wages adjustments in accordance with the California Labor Code or the Davis-Bacon Act and any fines incurred by the SLDMWA as a result of the CMGC's actions; and/or
- Any amounts otherwise necessary to protect the SLDMWA's interests and/or compensate the SLDMWA for past, present and future damages.

In addition to withholding a reasonable amount based on the above grounds, the SLDMWA may withhold an additional 50% of that reasonable amount from a progress payment or release of retention; except that it may withhold an additional 25% or more of the Stop Payment Notice amount to provide for its reasonable cost (including but not limited to attorneys' fees and experts' fees) of any litigation based on a Stop Payment Notice.

If, on Completion or termination of the Contract or termination of the CMGC's control over the Work, sums withheld from the CMGC are insufficient to cover the SLDMWA's charges against the CMGC, the SLDMWA has the right to recover the balance from the CMGC or the CMGC's surety.

SECTION 8.09. DEDUCTIONS FOR IMPERFECT WORK.

For any portion of the Work, materials, or equipment retained in accordance with Section 5.22 of these General Conditions, the SLDMWA will deduct from a Progress Payment a reasonable amount to represent the decreased or lost value to the SLDMWA.

SECTION 8.10. LIQUIDATED DAMAGES FOR DELAY.

If the Work or any identified Taks or other Milestone is not completed by the CMGC in the time specified in the Contract Documents, or within any period of extension authorized pursuant to this these General Conditions, the CMGC acknowledges and admits that the SLDMWA will suffer damage, and that it is impracticable and infeasible to fix the amount of actual damages. Therefore, it is agreed by and between the CMGC and the SLDMWA that the CMGC shall pay to the SLDMWA as fixed and liquidated damages, and not as a penalty, the sum specified in the Contract Documents for each Calendar Day of delay until the date of Completion of the Milestone or Contract work, as applicable, and that both the CMGC and the CMGC's surety shall be liable for the total amount thereof, and that the SLDMWA may deduct Liquidated Damages from any monies due or that may become due to the CMGC. If it appears during the course of construction that the CMGC is behind schedule and the imposition of liquidated damages is likely, or if liquidated damages begin to accrue prior to the time for final payment, the SLDMWA may, at its discretion, withhold the amount accrued from any progress payment that would otherwise be due. This right to withhold funds is in addition to the SLDMWA's other rights under the Contract Documents.

These liquidated damages provision shall apply to all delays of any nature whatsoever, save and except only delays found to be excusable or time extensions granted by the SLDMWA.

Pursuant to Government Code Section 4215, the CMGC shall not pay fixed and liquidated damages for delay in completing the Contract work caused by the failure of the SLDMWA or the owner of utility facilities located on the Project site to provide for removal or relocation of such facilities.

Payment by the SLDMWA of any progress payments after liquidated damages have accrued shall not constitute a waiver by the SLDMWA of its right to claim liquidated damages.

If the Contract, the CMGC's control over the Work, or the CMGC's right to proceed is terminated for cause, then the CMGC shall be liable to the SLDMWA for liquidated damages for all periods of time from the scheduled Contract completion date at the time of such termination, as that date may be adjusted by any extensions of time to which the CMGC is entitled, until Completion.

SECTION 8.11. FINAL ESTIMATE AND PAYMENT.

Subsequent to field acceptance as detailed in Section 7.21 of these General Conditions and submission of all required close-out documents referenced in Section 7.22 and Section 8.01D of these General Conditions, and within thirty (30) Calendar Days after field acceptance, the CMGC shall provide a proposed final payment request, segregated as to

Contract item and Change Order work. CMGC shall submit all previously unsubmitted documents required by the Contract with the request. The SLDMWA has the right to reject the proposed final payment request and require submission of these documents if the CMGC fails to submit all required documents with its request.

The SLDMWA will review the properly submitted proposed final payment request and, after withholding for all issues as permitted by Sections 8.08, 8.09 and 8.10 of these General Conditions and making other corrections as necessary, shall return its approved Final Payment request as modified, within fifteen (15) Calendar Days of receipt. All progress payments shall be subject to correction in the final payment. If the CMGC fails to file a final payment request within the time allotted, the SLDMWA may create and approve one based on the best information available to it.

Within fifteen (15) Calendar Days after the approved final payment request is submitted to the CMGC, the CMGC shall submit back to the SLDMWA a written approval of said request or a written statement of exceptions to be considered a “closeout” claim. The CMGC’s statement of exceptions shall be in sufficient detail for the SLDMWA to ascertain the basis and amount of the exceptions, and will include supporting documentation as detailed in Section 9.17C of these General Conditions. Failure to provide sufficient detail shall be cause for denial of the exceptions.

Any claim of the CMGC or Subcontractors or suppliers with respect to the performance or breach of the Contract or any alterations thereof (except for payment of the balance of the Contract price as set forth in the final payment request) not specifically set forth in the statement of exceptions, is waived by the CMGC. If the CMGC fails to file a statement of exceptions within the time allowed, CMGC waives its right to submit a statement of exceptions and the approved final payment request will be deemed to as accepted and approved by the CMGC.

The SLDMWA shall process the final payment and a release of retention in accordance with the approved final payment request. The payment of undisputed sums due for the final payment for each Task, and excluding any sums withheld for Stop Payment Notices, shall be made within thirty-five (35) days of the CMGC’s acceptance of the approved final payment request or within sixty (60) days after completion, as defined by Public Contract Code section 7107(c), of each Task, whichever is earlier. The release of retention shall be made in accordance with Section 8.07 of these General Conditions. If the CMGC submits a timely statement of exceptions, or if the SLDMWA withholds amounts due to disputed items and/or stop payment notices, then the SLDMWA shall process these payments as a semifinal action; otherwise, the payment shall be considered final.

The SLDMWA shall respond in accordance with the provisions of Section 9.18, “SLDMWA’s Decision,” of these General Conditions, with its final decision regarding the claims and exceptions set forth by CMGC. Should the SLDMWA’s final decision grant some or all of CMGC’s claims or exceptions, then, to the extent necessary, a supplemental final payment and/or supplemental final release of retention shall be processed within thirty (30) days.

Any claim or exception set forth by CMGC for which CMGC did not follow the required claim procedures in the Contract Documents shall be disallowed; by failing to follow the required claim procedures prior to CMGC's written statement of claims and exceptions, CMGC waives all rights to compensation (whether money or time) related to such claim or exception. If not already expired, the running of time for presenting a Government Code claim (see Government Code sections 900 et seq.) shall be tolled from the time of the CMGC’s timely statement of exceptions until the SLDMWA’s final decision on the statement of exceptions.

SECTION 8.12. FINAL PAYMENT TO TERMINATE LIABILITY OF SLDMWA.

If CMGC fails to timely submit a statement of exceptions, the CMGC’s acceptance of the final payment and final release of retention shall release the SLDMWA and the SLDMWA’s officers, officials, agents, employees, members, volunteers, affiliates, and their duly authorized representatives from all claims or liability on account of all Work performed or any alterations thereof. If CMGC timely submits a statement of exceptions, the CMGC’s acceptance of the semifinal payment and semifinal release of retention shall release the SLDMWA and the SLDMWA’s officers, officials, agents, employees, members, volunteers, affiliates, and their duly authorized representatives from all claims or liability on account of Work performed or any alterations thereof, except unresolved items set forth in the statement of exceptions.

SECTION 8.13. DISPUTED PAYMENTS.

The SLDMWA will decide disputes regarding payments under the Contract according to the procedures set forth in Article 9, “Changes and Claims,” of these General Conditions. The decision of the SLDMWA will be final.

Neither the payment, the withholding, nor the retention of all or any portion of any progress payment shall relieve the CMGC from its obligations under the Contract Documents, or entitle the CMGC to any extension of time. The CMGC shall continue to diligently prosecute the Work notwithstanding any dispute over payment.

SECTION 8.14. TARIFF EVENTS.

Following a Tariff Event, (i) if the Tariff Event increases the cost of a Tariff Material, the SLDMWA will reimburse CMGC for Tariffs actually paid on the importation of Tariff Materials, plus the Tariff Markup, or (ii) if the Tariff Event decreases the cost of a Tariff Material, the applicable GMP shall be reduced to remove the amount previously allocated to the applicable Tariff. With each invoice for payment of such Tariff, CMGC shall submit to the SLDMWA receipts or other documentation required by the SLDMWA as to the amount paid. CMGC shall maintain detailed records in connection with each Tariff for the Tariff Materials.

In addition to CMGC’s obligations to minimize and mitigate potential claims and Change Orders pursuant to the Agreement, in connection with a Tariff Event, CMGC shall immediately consult with the SLDMWA upon the occurrence of a Tariff Event about the opportunities and options to minimize the effect of the Tariffs and Tariff Event and shall take affirmative action to advance materials and supplies procurement and consider potential replacement materials and supplies and sources of affected materials and supplies.

As part of the efforts to minimize and mitigate the effects of Tariffs pursuant to this Section 8.14, CMGC shall use commercially reasonable efforts to identify and propose one or more Substitute Tariff Materials that are manufactured or substantially produced in a jurisdiction not subject to the applicable Tariff Event (or subject to a lower Tariff), and available within a timeframe and quality consistent with the Agreement. As part of any payment of Tariffs pursuant to this Section 8.14, CMGC shall (i) submit written evidence demonstrating that it actively evaluated and pursued Substitute Tariff Materials from alternate sources; (ii) providing detail as to the reasons such substitutes were technically or commercially infeasible, if applicable; and (iii) affirmatively stating that no viable Substitute Tariff Materials were available that met the requirements of the Agreement without material delay or cost increase. The SLDMWA shall have the right to approve or reject any proposed Substitute Tariff Material based on technical compatibility, schedule impact, cost, overall Project quality and compliance with the requirements of the Agreement.

ARTICLE 9. CHANGES AND CLAIMS

SECTION 9.01. AUTHORITY FOR CHANGES.

The SLDMWA reserves the broad right to order or direct corrections, alterations, additions, modifications, deletions, or other changes as required for the proper completion of the Work. The order or directive may be issued prior to the final acceptance of the Contract without voiding the Contract, without notice to the CMGC’s sureties, and in accordance with the provisions of Section 9.02, “Ordering of Changes,” of these General Conditions.

The CMGC shall not perform corrections, alterations, additions, modifications, deletions, or other changes to the Work without a written directive or order from the SLDMWA, in accordance with Section 9.02 of these General Conditions. Payment for changed or extra work will not be made without the SLDMWA’s written authorization.

SECTION 9.02. ORDERING OF CHANGES.

The SLDMWA may order or direct, including, without limitation, through a Field Directive or Construction Change Directive, a change, in writing, during the course of the Work, and the CMGC shall immediately comply with the order or directive. Changes to the Work shall in no way affect, vitiate, or make void the Contract or any part thereof, except that which is necessarily affected by such changes and is clearly the evident intention of the parties to the Contract.

Changes to the Work may be initiated as described in Section 4.06, “Field Directives or Other Written Directives,” of these General Conditions. If the SLDMWA and CMGC agree that compensation in the form of an adjustment to the

Contract Sum and/or the Contract Time is required, then the adjustment will be formalized in a Change Order, in accordance with Section 9.14, "Contract Change Order," of these General Conditions. Failure of the SLDMWA and CMGC to agree to terms of a Change Order based on an order or directive shall not relieve the CMGC of its obligation to complete all work specified in the order or directive.

SECTION 9.03. NOT USED

SECTION 9.04. PROSECUTION OF CHANGES TO THE CONTRACT.

If directed by the SLDMWA, within fourteen (14) Calendar Days of issuance of a Request for Proposal, the CMGC shall provide a Proposed Change Order with a cost and/or time proposal prepared in accordance with the requirements of this Section, and Sections 9.07 and 9.11 of these General Conditions. The CMGC's Proposed Change Order shall indicate the amount to be added or deducted from the Contract Sum, supported by complete details of all CMGC, Subcontractor, vendor, or supplier costs per Section 9.05, "Cost and Pricing Data," of these General Conditions. If the proposed change will affect work on the CMGC's other contracts for the Project, then the CMGC shall submit separate Proposed Change Orders for each other contract where the Contract Sum and/or Contract Time will be impacted by the proposed change.

If the CMGC does not submit a Proposed Change Order within fourteen (14) Calendar Days, and unless the SLDMWA is otherwise notified within fourteen (14) Calendar Days of a potential cost impact, the CMGC agrees to perform the work described in the change request with no additional compensation.

If the change causes a change in the monetary compensation or Contract Time, then SLDMWA will issue a Change Order in accordance with Section 9.13, "Contract Change Order," of these General Conditions. If a Field Directive or other written order is issued on a force account basis, the CMGC must immediately begin keeping records in accordance with Section 9.07C, "Force Account," of these General Conditions. When the SLDMWA and CMGC

cannot agree on the credit for work deleted by a written order, the SLDMWA's estimate will be deducted from the Contract Sum, unless the CMGC presents proof prior to the final payment that the SLDMWA's estimate is in error.

If agreement for a change in the Work is reached regarding payment, but not a time adjustment, the SLDMWA shall have the right to direct the CMGC to proceed with the change at the agreed price. The impact of the changed work on the project schedule will be considered by the SLDMWA in accordance with Section 9.11, "Time Extension for Changes," of these General Conditions.

Failure of the parties to reach agreement regarding the costs and time of the performing the change in the Work and/or any pending protest shall not relieve the CMGC from performing the change in the Work promptly and expeditiously. SLDMWA, may direct the CMGC in writing to perform changes in or additions to the scope of the Contract. The CMGC shall perform such work and shall be compensated pursuant to the provisions of Section 9.7, "Payment for Changes," of these General Conditions.

SECTION 9.05. COST AND PRICING DATA.

Cost and pricing data submitted by the CMGC shall be true, complete, accurate, and current. The SLDMWA may require a formal certification to verify CMGC-submitted cost and pricing data. Upon request by the SLDMWA, CMGC shall provide copies of the following information to support its submitted costs:

- Original quotations, purchase orders, or invoices to verify costs included in original bid.

- Quotations, purchase orders, or actual invoices to support new costs submitted.

- Subcontracts.

- Employee time records and wage rates paid.

- Insurance and bond costs resulting from change.

- Quantity takeoff sheets for materials, labor, and equipment.

- Certified payroll records.

- Certified composite wage rate statements, including employees' base rate and CMGC's contributions for fringe benefits, subsistence, and travel.

- A list of equipment with manufacturer's name and model number and the alphanumeric designation used in the Equipment Rental Rates prepared by the California Department of Transportation.

- Invoices for all rental equipment.

- Other information, as required, to document the labor, equipment, and materials used.

Additional requirements for cost and pricing data may also be included in the Contract Documents. The SLDMWA shall have access to the records supporting such cost and pricing data in accordance with the Section 9.06, "Access to Records," of these General Conditions.

SECTION 9.06. ACCESS TO RECORDS.

Upon reasonable notice and during normal business hours, the SLDMWA shall have access to the CMGC's and Subcontractors' records for the purpose of verifying, auditing, and evaluating the accuracy of cost and pricing data submitted by the CMGC. "Records" as used in this Section shall include, but not be limited to: original estimates, subcontract agreements, purchase orders, books, documents, accounting records, papers, project correspondence, project files, and scheduling information necessary to determine the direct and indirect costs, job site, area and home office overhead, delay, and impact costs. Records shall include the original Bid and all documents related to the Bid and its preparation, the as-planned construction schedule and all related documents. Such access shall include the right to examine and audit such records and make excerpts, transcriptions, and photocopies at the SLDMWA's cost.

SECTION 9.07. PAYMENT FOR CHANGES.

The method of payment agreed upon by the CMGC and the SLDMWA, or selected by the SLDMWA at its sole discretion in the absence of any other agreement, shall be set forth in the Request for Proposal or in the written order directing the change.

The three methods of payment are as follows:

SECTION 9.07A. Lump Sum Price.

The CMGC shall submit a lump sum price proposal. The proposal shall include an estimate of labor, material, equipment, Subcontractor, material supplier costs, and any surcharges and/or markups as allowed in Section 9.08, "Markups for Changed Work," in these General Conditions.

In the event that the parties are unable to agree as to the reasonable costs and time to perform the change in, or addition to, the Work based upon the CMGC's proposal, and if the Engineer and SLDMWA do not elect to have the change in the Work performed on a time and material basis, then the Engineer and SLDMWA shall make a unilateral determination of the reasonable cost and time to perform the change in the Work, based upon their own estimates, the CMGC's submission, or combination thereof.

SECTION 9.07B. Unit Prices.

If payment for Contract work is based on unit prices, payment for changed work will be made based on actual quantities of work done at the unit prices contained in the Contract or unit prices otherwise agreed upon by the SLDMWA and CMGC if none are contained in the Contract. Payment for changed work based on Contract or agreed upon unit prices includes the full cost of the item of work including profit and overhead; no additional payment or adjustment will be allowed. If the final quantity of any item of work required under the Contract varies from the Engineer's Estimate by twenty-five percent (25%) or more, or if part of the Work is eliminated in its entirety, then, in the absence of an executed Change Order specifying the compensation to be paid, the compensation will be adjusted as follows:

1. Increases of More Than 25 Percent

Should the total pay quantity of any item of work required under the Contract Documents exceed the Bid Schedule quantity by more than twenty-five percent (25%), the work in excess of 125 percent (125%) of the Bid Schedule quantity will be paid for by adjusting the Contract unit price, as hereinafter provided. At the SLDMWA's option, payment for the work involved in such excess will be made on the basis of force account as provided by Section 9.07C, "Force Account," of these General Conditions.

Such adjustment of the Contract unit price will be the difference between the Contract unit prices and the actual unit costs, which will be determined as hereinafter provided, of the total pay quantity of the item. If the costs applicable to such item of work include fixed costs, such fixed costs will be deemed to have been recovered by CMGC by the payments made for 125 percent of the Bid Schedule quantity for such item, and, in computing the actual unit cost, such fixed costs will be excluded. Subject to the above provisions, such actual unit cost will be determined by the SLDMWA in the same manner as if the work were to be paid for on a force account basis as provided in Section 9.07C, "Force Account," of these General Conditions or such adjustment will be as agreed to by CMGC and the SLDMWA.

When the compensation payable for the number of units of an item of work performed in excess of 125 percent of the Bid Schedule quantity is less than \$5,000 at the applicable Contract unit price, the SLDMWA reserves the right to make no adjustment in said price if it so elects, except that an adjustment will be further considered if requested in writing by CMGC.

2. Decreases of More Than 25 Percent

Should the total pay quantity of any item of work required under the Contract be less than seventy-five percent (75%) of the Bid Schedule quantity, an adjustment in compensation pursuant to this Section will not be made unless CMGC so requests in writing. If CMGC so requests, then the revised quantity will be paid for by

adjusting the Contract unit price as hereinafter provided. At the SLDMWA's option, payment for the quantity of the work of such item performed will be made on the basis of force account as provided in Section 9.07C, "Force Account," of these General Conditions. However, in no case shall the payment for such work be less than that which would be made at the Contract unit price.

Such adjustment of the Contract unit price will be the difference between the Contract unit price and the actual unit cost of the total pay quantity of the item, including fixed costs. Such actual unit cost will be determined by the SLDMWA in the same manner as if the work were to be paid for on a force account basis as provided in Section 9.07C, "Force Account," of these General Conditions; or such adjustment will be as agreed to by CMGC and the SLDMWA.

The payment for the total pay quantity of such item of work will in no case exceed the payment which would have been made for the performance of seventy-five percent (75%) of the Bid Schedule of the quantity for such item at the original Contract unit price.

3. Eliminated Items

In the event that a part of the Work is to be eliminated in its entirety and such Work is covered by unit price(s) contained in the Bid and/or Contract Documents, the price of the eliminated Work item shall be based on the applicable unit price(s).

Should any Contract item of the Work be eliminated in its entirety, in the absence of an executed Contract change order covering such elimination, payment will be made to CMGC for actual costs incurred in connection with such eliminated Contract item if incurred prior to the date of notification in writing by the SLDMWA of such elimination.

If acceptable material is ordered by CMGC for the eliminated item prior to the date of notification of such elimination by the SLDMWA, and if orders for such material cannot be canceled, it will be paid for at the actual cost. In such case, the material paid for shall become the property of the SLDMWA, and the actual cost of any further handling will be paid for. If the material is returnable to the vendor and if the SLDMWA so directs, the material shall be returned and CMGC will be paid for the actual costs of charges made by the vendor for returning the material. The actual cost of handling returned material will be paid for by the SLDMWA.

SECTION 9.07C. Force Account.

In the absence of either an agreed lump sum price or unit prices for the change, the SLDMWA may direct the CMGC to proceed with the changed work on a force account basis. The CMGC shall keep and present, in a form acceptable to the SLDMWA, a complete and correct accounting of all costs associated with the change, including all pay records, vouchers, invoices, etc. The CMGC will be paid for labor, materials, and equipment actually used during the performance of the changed work as specified in this Section of these General Conditions in Sections 9.07C.1, "Labor," 9.07C.2, "Materials," and 9.07C.3, "Equipment," plus the percentages stipulated in Section 9.08, "Markups for Changed Work."

To facilitate agreement on direct craft labor hours, construction equipment hours, and material quantities, the CMGC shall notify the SLDMWA not less than four (4) hours prior to starting force account work. The CMGC shall submit Daily Work Reports (DWRs) for signature not later than 9:00 a.m. the day following performance of any force account work. DWRs shall list names of all CMGC's staff, the staff person's craft or trade, all craft or trade labor hours, and all material and construction equipment used. If the DWRs include work related to more than one change, then the labor, material, and equipment shall clearly identify the change to which it relates. The CMGC shall use the DWRs in preparing billings for force account work.

SECTION 9.07C.1. Labor.

The CMGC will be paid the cost of direct labor (foreperson and below) used in the actual and direct performance of the changed work including working foreman when authorized by the SLDMWA. Except as otherwise provided, the CMGC will receive no additional compensation for overtime work without prior written authorization from the SLDMWA. The cost of labor will be the sum of the following:

SECTION 9.07C.1(a). Actual Wages.

Charges for labor will be the CMGC's actual payroll costs for labor of any classification, including employer payments to or on behalf of the workers for health and welfare, pension, vacation, and similar purposes.

SECTION 9.07C.1(b). Labor Surcharge.

A twenty-six percent (26%) surcharge for taxes, insurance, and all other payments made to or on the behalf of the employee shall be added to the actual wages.

SECTION 9.07C.1(c). Subsistence and Travel.

The SLDMWA will pay the CMGC for actual subsistence and travel allowance costs associated with the changed work required by labor agreements or acceptable to the SLDMWA. Documentation must be provided to the SLDMWA.

SECTION 9.07C.2. Materials.

Payment will be for the purchaser's actual cost of supplier or vendor furnished materials. If the CMGC does not furnish satisfactory evidence of the cost of such materials, the cost will be the lowest current wholesale price at which such quantities of materials are available and delivered to the job site. The SLDMWA reserves the right to purchase materials for the changed work; the CMGC shall have no claims for costs or profit on such materials.

SECTION 9.07C.3. Equipment.

The prices paid for equipment directly and solely required for performance of the changed work will be those listed in the current edition of the Caltrans publication, "Labor Surcharge and Equipment Rental Rates." If the equipment is not shown in this publication, the CMGC shall be paid such hourly rental rates as are agreed upon by the CMGC and the SLDMWA prior to use of the equipment, plus thirty-three and one-third percent (33-1/3%) for the cost of fuel, oil, lubrication, and field repairs and maintenance. In no case shall the hourly rental rates exceed those of established distributors or equipment rental agencies serving the area.

The rate paid for the use of equipment constitutes full compensation to the CMGC for all costs, including fuel, power, oil, lubrication, supplies, small tools, small equipment, necessary attachments, repairs and maintenance of any kind, depreciation, storage, insurance, labor (except for equipment operators) and any and all costs to the CMGC incidental to the use of such equipment for the changed work.

Payment will not be made for the equipment while it is inoperative due to breakdowns or for time in which no changed work was performed. Payment for rentals will include time required to move equipment to the changed work from the nearest available rental source and to return it to the source. However, no moving, loading, or transportation costs will be paid if the equipment is used for any other portion of the Work.

Individual tools and pieces of equipment having replacement value of five hundred dollars (\$500) or less shall be considered tools or small equipment and no payment will be made for those pieces of equipment.

SECTION 9.07C.4. Subcontracts.

Subcontract costs shall be the actual cost to the CMGC for work performed by a Subcontractor. The provisions of this Section 9.07C, "Force Account," apply to the computation of subcontract costs. Subcontractors shall compute markups per the Section 9.08, "Markups for Changed Work," of these General Conditions.

SECTION 9.08. MARKUPS FOR CHANGED WORK.

Only the direct costs directly attributable to the performance of the changed work shall be allowed. All other costs shall be included in the allowed markups, including, but not limited to, profit, home office and field overhead, jobsite indirect costs, extended overhead, jobsite office personnel, general field superintendence, general engineering, supervision of labor, bond and insurance premiums, and general field expense, and shall constitute full compensation for all costs not included as actual labor, materials, equipment, or Subcontractor costs. Markups for changed work shall not exceed the following:

Labor	15%
Materials	15%
Equipment Rental	10%
Bonds and Insurance	2%

The CMGC or Subcontractor, whomever actually performs the changed work, may add the markups to the total of allowable costs. When a Subcontractor performs work, the CMGC and any higher tiered Subcontractor may add as mark-up to the total of allowable costs an amount not to exceed five percent (5%), subject to the limitations of this Section.

When the SLDMWA is entitled to credit for deleted work, a ten percent (10%) credit for deleted overhead of the CMGC or Subcontractor, as applicable, will be added to such credit.

SECTION 9.09. COMPENSABLE EXCUSABLE DELAYS.

Payments will be made as follows for compensable excusable delays, as defined in Section 7.12B, "Excusable Delays," of these General Conditions. CMGC waives any and all monetary compensation for excusable delays other than the items listed below.

SECTION 9.09A. Construction Equipment.

Compensation will be paid for construction equipment idle as a result of a compensable excusable delay to the extent costs are incurred. The prices paid for equipment will be those in the current edition of the Caltrans publication, "Labor Surcharge and Equipment Rental Rates," with the following modifications:

- The right-of-way delay factor for each classification of equipment will be applied to the rental rate.
- Compensation will be provided for the actual time of the delay, but not more than eight (8) hours per day.

Compensation will be provided for each day or portion of a day, excluding Sundays, and holidays, for the duration of the delay, unless the approved current schedule identifies critical path work for these days.

SECTION 9.09B. Jobsite Indirect Costs.

Indirect costs shall be limited to the following:

1. Actual payroll costs for field office staff incurred as a result of the delay, including management, supervision, safety, estimating, engineering, drafting, clerical, secretarial, and accounting. A twenty-six percent (26%) surcharge for taxes, insurance, and all other payments made to or on the behalf of the employee may be added to the payroll costs.
2. Actual cost for third-party services provided for the field office, such as management, supervision, safety, estimating, engineering, drafting, clerical, secretarial, and accounting utilized in lieu of employees.
3. Applicable field office expenses for rent and utilities that are substantiated by invoices. Compensation for on-site plant, incidentals, and facilities for non-field office personnel including branch office and home office personnel will not be provided. Compensation for these items and other incidentals is included in the Section 9.09C, "Markup for Compensable Excusable Delays," of these General Conditions.

SECTION 9.09C. Markup for Compensable Excusable Delays.

Fifteen percent (15%) shall be added to job-site indirect costs for onsite plant, incidentals, overhead, home and branch office costs, bonds, and profit. The CMGC shall determine the distribution of the markup among the CMGC, Subcontractors, and suppliers.

SECTION 9.09D. Duplicated Overhead Costs.

If the CMGC is compensated for delays in accordance with this Article, and the delay is attributable to direct cost changes to which markups were added, equitable adjustments shall be made to eliminate the duplication of compensation for indirect and overhead costs and profit.

SECTION 9.10. LIMITATIONS ON PAYMENTS FOR CHANGED WORK.

The SLDMWA will not pay the CMGC for costs in excess of prevailing market values, unless the CMGC can establish, to the satisfaction of the SLDMWA, that the CMGC has investigated all possible means of providing the work and that the excess costs could not be avoided. The SLDMWA will be the sole judge of the necessity of incurring costs in excess of market value and whether the excess costs are directly required for performance of changed work. The SLDMWA's determination will be final.

SECTION 9.11. TIME EXTENSIONS FOR CHANGES.

The CMGC is entitled to adjustment in Contract Time only if completion of the entire Work or of any milestone outlined in the Contract Documents is extended due to changes impacting the controlling item of work. Each proposal submitted by the CMGC in accordance with Section 9.04, "Prosecution of Changes to the Contract," of these General Conditions, shall state the amount of extra time the CMGC believes the change added to the overall project schedule and shall be supported by a Time Impact Analysis under Specification Section 01 32 10. Failure to request a time extension within the time allowed constitutes a waiver of the CMGC's right to subsequently claim an adjustment in Contract Time.

SECTION 9.12. EFFECT ON SURETIES OF CHANGES TO THE WORK.

No alterations, time extensions, extra or additional work, or other changes authorized by these conditions or any part of the Contract shall affect the sureties' obligations under the Contract.

SECTION 9.13. CONTRACT CHANGE ORDER.

The SLDMWA will issue a Change Order if a change to the Contract Sum or Contract Time is necessary. The CMGC shall not be entitled to any adjustments in either Contract Sum or Contract Time for changes performed before receipt of a written directive requiring the changes or Change Order approved by the SLDMWA. Adjustments in Contract Time or Contract Sum for changes performed will not be made until a Change Order is approved by the SLDMWA. A Change Order is generally comprised of one or more Field Directives or other written orders or directives, and contains a summary of each change and changes to the Contract Sum and Contract Time.

SECTION 9.14. ACCEPTANCE OF ORDERS FOR CHANGES.

A Change Order that is substantially in agreement with the CMGC's Proposed Change Order, and/or the CMGC's written agreement of a Change Order, Field Directive, or other written directive, will constitute the CMGC's final and binding agreement to the provisions of the Change Order, Field Directive, or other written directive, and a waiver of all claims in connection therewith, whether direct or consequential in nature, including those of any Subcontractors or suppliers. If the CMGC disagrees with any Change Order, Field Directive, or other written directive, the CMGC may submit a notice of potential claim to the SLDMWA in accordance with Section 9.16, "Notice of Potential Claim," of these General Conditions. Disagreement with the provisions of a Change Order, Field Directive, or other written order will not relieve the CMGC of the CMGC's obligations under the Contract.

SECTION 9.15. DISPUTE REGARDING CONTRACT REQUIREMENTS.

If the CMGC and SLDMWA fail to agree whether or not any work or other matter is within the scope of the Contract, the CMGC shall nevertheless immediately perform such work upon receipt of a written Field Directive or other written order. If CMGC disagrees with a decision by the SLDMWA that any work is within the scope of the Contract, then the CMGC must follow the claims procedures in the Contract, including but not limited to Sections 7.13, 8.11, 9.16, and 9.17 of these General Conditions.

The CMGC shall not stop performing the Work pending resolution of a dispute, unless so ordered in writing by the SLDMWA.

SECTION 9.16. NOTICE OF POTENTIAL CLAIM.

The CMGC shall not be entitled to payment of any additional compensation (whether money or time) for any cause, including any disagreement, protest, or change, any act or failure to act by the SLDMWA, or the happening of any event, thing or occurrence, unless the CMGC has given the SLDMWA due advance written notice of potential claim as hereinafter specified. The written Notice of Potential Claim shall set forth the reasons for which the CMGC believes additional monetary compensation and/or time will or may be due, the nature of the costs and/or time involved, and, insofar as possible, the amount of the potential claim.

The CMGC shall promptly provide a written Notice of Potential Claim to the SLDMWA upon discovery of concealed or unknown conditions or upon any disagreement, protest, situation, event, or occurrence that may result in a claim, including but not limited to changes in work and delays. The Notice shall be submitted no more than five (5) Working Days after the discovery or occurrence of any event that may be the basis for a claim for additional compensation or additional time.

Failure to timely submit the Notice waives any Claim that CMGC may otherwise have had the right to submit based on the underlying occurrence or event.

SECTION 9.17. SUBMISSION OF CLAIMS.

Claims shall be subject to the requirements of Public Contract Code sections 20104 et seq. and 9204. A summary of those provisions is set forth below. A waiver of the rights granted by the referenced statutes is void and contrary to public policy, provided, however, that (1) upon receipt of a Claim, the parties may mutually agree to waive, in writing, mediation and proceed directly to the commencement of a civil action or binding arbitration, as applicable; and (2) the SLDMWA may prescribe reasonable change order, claim, and dispute resolution procedures and requirements in addition to the statutory requirements, so long as the contractual provisions do not conflict with or otherwise impair the statutory timeframes and procedures. To the extent that the summary below is inconsistent with any requirement of those statutes, the statutes shall control. The terms below are intended to be consistent with the governing statutes, and any modifications shall be understood as lawful modifications or additions to the statutory requirements if at all possible.

SECTION 9.17A. Definitions.

“Claim” means a separate demand by the CMGC sent by registered mail or certified mail with return receipt requested, for one or more of the following:

- (A) a time extension, including, without limitation, for relief from damages or penalties for delay assessed by a public entity under a contract for a public works project.
- (B) payment by the public entity of money or damages arising from work done by, or on behalf of, CMGC pursuant to the contract for a public works project and payment for which is not otherwise expressly provided or to which the claimant is not otherwise entitled.
- (C) payment of an amount that is disputed by the SLDMWA.

“Mediation” means any nonbinding process, including, but not limited to, neutral evaluation or a dispute review board, in which an independent third party or board assists the parties in dispute resolution through negotiation or by issuance of an evaluation.

“Public works contract” or “public works project” means the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement of any kind.

“Subcontractor” means any type of CMGC within the meaning of Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code who either is in direct contract with the CMGC or is a lower tier Subcontractor.

SECTION 9.17B. Claims Procedure.

All Claims under this Contract shall be resolved using the following procedure.

1. The Claim shall be in writing and include the documents necessary to substantiate the Claim as set forth in Section 9.17C. Unless a different time is stated in the Contract Documents, Claims must be filed not later than thirty (30) Calendar Days after the proposed final payment request is returned to the CMGC by the SLDMWA. Any Claim shall be certified under penalty of perjury and in compliance with the California False Claims Act, as set forth in Section 9.17C below. Failure to include these required certifications will constitute grounds for immediate rejection of the Claim and shall be deemed a waiver and absolute bar of the Claim, including any right to pursue the Claim further.
2. If a Subcontractor, including a lower tier Subcontractor, lacks legal standing to assert a Claim against the SLDMWA because privity of contract does not exist, then the CMGC may present a Claim on behalf of such a Subcontractor. A first-tier Subcontractor may request in writing, either on its own behalf or on behalf of a lower tier Subcontractor, that the CMGC present a Claim on behalf of the Subcontractor for work that was performed by the Subcontractor. The Subcontractor requesting that the Claim be presented shall furnish reasonable documentation to support the Claim. Within forty-five (45) days of receipt of this written request, the CMGC shall notify the Subcontractor in writing as to whether the CMGC presented the Claim and, if the CMGC did not present the Claim, provide the Subcontractor with a statement of the reasons for not having done so.
3. Upon receipt of a Claim, the SLDMWA shall conduct a reasonable review of the Claim. Within thirty (30) days of receipt of the Claim, the SLDMWA may request, in writing, any additional documentation supporting the Claim or relating to defenses to the Claim that the SLDMWA may have against the claimant. Where additional information is requested by the SLDMWA, the time in which the SLDMWA must respond to a Claim shall be tolled until all requested information is provided. If additional information is thereafter required, then it shall be requested and provided upon mutual agreement of the SLDMWA and the CMGC.
4. Within forty-five (45) days of receipt of the Claim, as that time may be tolled as provided in Section 9.17B.3 above, the SLDMWA shall provide the CMGC with a written statement identifying what portion of the Claim is disputed and what portion is undisputed. Upon receipt of a Claim, the SLDMWA and the CMGC may, by mutual agreement, extend the time period for a response. Failure by the SLDMWA to respond to a Claim within the time periods described herein shall result in the Claim being deemed rejected in its entirety. A Claim that is denied by failure of the SLDMWA to respond shall not constitute an adverse finding with regard to the merits of the Claim or the responsibility or qualifications of the claimant.
5. Any payment due on an undisputed portion of the Claim shall be processed and made within sixty (60) days after the SLDMWA issues its written statement. The SLDMWA shall not fail to pay money as to any portion of a Claim which is undisputed except as otherwise provided in the Contract Documents.
6. If the claimant disputes the SLDMWA’s written response, or the SLDMWA fails to respond within the time prescribed, the CMGC may so notify the SLDMWA, in writing, either within fifteen (15) days of receipt of the SLDMWA’s response or within 15 days of the SLDMWA’s failure to respond within the time prescribed, respectively, and demand an informal conference to meet and confer for settlement of the issues in dispute. Upon receipt of a demand, sent by registered mail or certified mail, return receipt requested, the SLDMWA shall schedule a meet and confer conference within thirty (30) days for settlement of the dispute.
7. Within ten (10) business days following the conclusion of the meet and confer conference, if the Claim or any portion of the Claim remains in dispute, then the SLDMWA shall provide the CMGC a written statement identifying the portion of the Claim that remains in dispute and the portion that is undisputed.

Failure by the SLDMWA to provide the written statement within the time periods described herein shall result in the remaining Claim issues being deemed rejected in their entirety. Denial by failure of the SLDMWA to respond shall not constitute an adverse finding with regard to the merits of the remaining Claim issues or the responsibility or qualifications of the claimant. Any payment due on an undisputed portion of the Claim shall be processed and made within sixty (60) days after the District issues its written statement.

8. Any remaining disputed portion of the Claim following the meet and confer conference shall be submitted to nonbinding mediation, with the SLDMWA and the CMGC sharing the associated costs equally. The SLDMWA and the CMGC shall mutually agree to a mediator within ten (10) business days after the disputed portion of the Claim has been identified in writing. If the parties cannot agree upon a mediator, each party shall select a mediator and those mediators shall select a qualified neutral third party to mediate with regard to the disputed portion of the Claim. Each party shall bear the fees and costs charged by its respective mediator in connection with the selection of the neutral mediator. Unless otherwise agreed to by the SLDMWA and the CMGC in writing, the mediation conducted pursuant to this Section shall excuse any further obligation under Public Contract Code Section 20104.4 to mediate after litigation has been commenced. This Section does not preclude arbitration if mediation under this Section does not resolve the parties' dispute.
9. If mediation is unsuccessful, then the CMGC may file a claim as provided in Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of Division 3.6 of Title 1 of the Government Code with respect to the parts of the Claim remaining in dispute. For purposes of those provisions, the running of the period of time within which a Claim must be filed shall be tolled from the time the CMGC submits his or her written Claim pursuant to Section 9-18.02.01 until the time that mediation of disputed portions of that Claim is completed. This Section does not apply to tort claims, and nothing in this Section is intended nor shall be construed to change the time periods for filing tort claims or actions specified by Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of Division 3.6 of Title 1 of the Government Code.
10. Amounts not paid in a timely manner as required by this Section shall bear interest at seven percent (7%) per year.
11. Claims of \$375,000 or less are subject to the following procedures for civil actions filed to resolve the claims:
 - a. The case shall be submitted to judicial arbitration pursuant to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, notwithstanding Section 1141.11 of that code. The Civil Discovery Act (Title 4 (commencing with Section 2016.010) of Part 4 of the Code of Civil Procedure) shall apply to any such proceeding, consistent with the rules pertaining to judicial arbitration.
 - b. The parties stipulate that the arbitrator shall be experienced in construction law and shall be paid necessary and reasonable hourly rates of pay not to exceed their customary rate, and such fees and expenses shall be paid equally by the parties, except in the case of arbitration where the arbitrator, for good cause, determines a different division. In no event shall these fees or expenses be paid by state or county funds.
 - c. In addition to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, any party who, after receiving an arbitration award, requests a trial de novo but does not obtain a more favorable judgment shall, in addition to payment of costs and fees under that chapter, pay the attorneys' fees of the other party arising out of trial de novo.
 - d. The court may, upon request by any party, order any witnesses to participate in arbitration process.

In any suit filed under Public Contract Code Section 20104.4, the SLDMWA shall pay interest at the legal rate on any arbitration award or judgment. The interest shall begin to accrue on the date the suit is filed in a court of law.

SECTION 9.17C. Documentation of Claims by CMGC.

For each Claim, the CMGC shall furnish claim documentation as herein specified.

CMGC shall submit three (3) certified copies of all claim documentation. All claim documentation shall be complete when submitted. The evaluation of the CMGC's claim will be based on SLDMWA's records and the claim documentation submitted by CMGC.

Claim documentation shall conform to generally accepted auditing standards and shall be in the following format:

1. Introduction and background
2. Issues
 - a. Index of issues
 - b. For each issue:
 - Background
 - Chronology
 - CMGC's position (reason for SLDMWA's potential liability)
 - Supporting documentation of merit
 - Supporting documentation of damages
3. CPM schedules, as-planned versus as-built, and delay analysis
4. Productivity and damages exhibits
5. Summary of issues and damages

Supporting documentation of merit for each issue shall be cited by reference, photocopied, or explained. Supporting documentation may include, but not be limited to, General Conditions, Technical and other Specifications, Drawings, correspondence, conference notes, shop drawing logs, survey books, inspection reports, delivery schedules, test reports, daily reports, subcontracts, fragmentary CPM schedules, Time Impact Analyses photographs, technical reports, RFIs, Field Directives, and other related records.

Supporting documentation of damages for each issue shall be cited, photocopied, or explained. Supporting documentation may include, but not be limited to, certified detailed labor, materials, equipment, and construction equipment and services costs; purchase orders; invoices; project as-planned and as-built costs; Subcontractor payment releases; quantity reports; other related records; general ledger and any other accounting materials.

Each submission of Claim documentation shall include the following certification, signed in the same manner as the Contract was signed:

Claim Declaration

I, [name of declarant], declare the following:

[CMGC company name] has contracted with the San Luis and Delta Mendota Water Authority for the Delta-Mendota Canal Subsidence Correction Project. I am authorized by my employer ([CMGC company name]) to prepare the attached claim for compensation (in other words, for money and/or time extensions) to the San Luis & Delta Mendota Water Authority regarding this Contract (dated _____, 20__, and requesting \$_____ and/or __ additional working days), and I did prepare said attached claim. I am the most knowledgeable person at [CMGC company name] regarding this claim.

I am aware of all law that relates to this claim, including but not limited to California Penal Code section 72, Government Code sections 12650 et seq. (False Claims Act), and Business and Professions Code sections 17200 et seq. (Unfair Business Practices Act). I am aware that submission or certification of false claims, or other claims that violate law or the contract, may lead to fines, imprisonment, and/or other severe legal consequences for myself and/or [CMGC company name].

The attached claim is prepared and submitted in good faith, does not breach the contract between [CMGC company name] and the San Luis & Delta Mendota Water Authority for this portion of the Project, does not violate any law, satisfies all provisions of the contract, only contains truthful and accurate supporting data, and only requests an amount that accurately reflects the adjustments to money and time for which I honestly and in good faith believe that the San Luis & Delta-Mendota Water Authority is responsible under its contract with [CMGC company name].

So that I could declare that the statements in this declaration and the attached claim were true and correct, while preparing this declaration and claim, I consulted with others (for example, attorneys, consultants, or others who work for [CMGC company name]) when necessary to assure myself that said statements were true and correct.

I declare under the penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed _____, 20__, at _____, California.

[name of declarant]

For claims submitted by the CMGC on behalf of a Subcontractor, both the CMGC and the Subcontractor shall submit the above declaration. If the CMGC is unable to support any part of a claim and it is determined that such inability is attributable to falsity of such certification or misrepresentation of fact or fraud by the CMGC, the CMGC shall be liable to the SLDMWA for three (3) times the amount of damages which the SLDMWA sustains, plus the cost of civil action, and may be liable to the SLDMWA for a civil penalty of up to ten thousand dollars (\$10,000) for each false claim.

SECTION 9.18. NOT USED

SECTION 9.19. NOT USED.

SECTION 9.20. NO ALTERNATIVE CLAIMS PROCEDURE.

Nothing in the Contract constitutes an agreement for an alternative claim procedure under the provisions of Government Code Section 930.2, nor relieves the CMGC of the requirements of Government Code, Part 3, Chapters 1 and 2 and Title 1, Division 3.6, Chapters 1, 2, 3, and 4, or Public Contract Code Sections 9204 and 20104.2(e).

SECTION 9.21. ASSIGNMENT OF CLAIMS.

The CMGC shall not assign any portion of the moneys due the CMGC without written SLDMWA approval. No person other than the party signing the Contract has any claim under the Contract, except as provided in the Contract.

Exhibit C
SPECIAL PROVISIONS – FEDERAL CONTRACTING REQUIREMENTS

SECTION 1.01. GENERAL.

By entering into this Contract, CMGC hereby agrees to comply with all applicable state, Federal, and local laws and regulations as applicable to this Project. These may include, but are not limited to, the Natural Environmental Policy Act (NEPA) including the Council of Environmental Quality and Department of the Interior regulations implementing NEPA, the Clean Water Act, the Endangered Species Act, consultation with potentially affected tribes, and consultation with the State Historic Preservation Office. Failure of the CMGC to comply with any applicable law or regulation may be the basis for withholding payments and/or termination of this Contract.

It is expressly acknowledged that this Project may include funding from federal and state grants. Therefore, CMGC shall comply with the regulations of the Code of Federal Regulations (CFR) - Title 2, Part 200, including Appendix II thereto, except to the extent that any such provisions are modified or eliminated during the course of Contract performance. These regulations are set forth below and are incorporated by reference and made part of this Contract. CMGC also shall comply with the State of California requirements regarding wages, hours and equal opportunity. These requirements are set forth below and are incorporated by reference and made a part of this Contract. Failure of CMGC to comply with any applicable state or federal regulation or law may be the basis for withholding payments and/or termination of this Contract.

CMGC shall include these provisions in all Subcontracts and purchase orders and require Subcontractors of all tiers and vendors to comply with them.

SECTION 1.02. EQUAL EMPLOYMENT OPPORTUNITY/ANTI-DISCRIMINATION.

- A. CMGC shall comply with all anti-discrimination and equal opportunity statutes, regulations, and Executive Orders that apply to the expenditure of funds under Federal contracts, grants, and cooperative Agreements, loans, and other forms of Federal assistance. CMGC shall comply with Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and any program-specific statutes with anti-discrimination requirements. CMGC shall comply with civil rights laws including, but not limited to, the Fair Housing Act, the Fair Credit Reporting Act, the Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the Equal Educational Opportunities Act, the Age Discrimination in Employment Act, and the Uniform Relocation Act. Title VI also includes protection to persons with “Limited English Proficiency” in any program or activity receiving federal financial assistance, 42 U.S.C. §§ 2000d *et seq.*, as implemented by the Department of the Treasury’s Title VI regulations, 31 CFR Part 22, and herein incorporated by reference and made a part of this Contract.
- B. CMGC shall comply with 41 CFR 60-1.4(b). During the performance of this Contract, CMGC agrees as follows:

(1) CMGC will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. CMGC will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CMGC agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) CMGC will, in all solicitations or advertisements for employees placed by or on behalf of CMGC, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(3) CMGC will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with CMGC's legal duty to furnish information.

(4) CMGC will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the CMGC's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) CMGC will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) CMGC will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of CMGC's noncompliance with the nondiscrimination clauses of this Contract or with any of the said rules, regulations, or orders, this Contract may be canceled, terminated, or suspended in whole or in part and CMGC may be declared ineligible for

further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) CMGC will include the above provisions in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each Subcontractor or vendor. CMGC will take such action with respect to any subcontract or purchase order as the Authority or the United States Bureau of Reclamation may direct as a means of enforcing such provisions, including sanctions for noncompliance, *provided, however*, that, in the event CMGC becomes involved in, or is threatened with, litigation with a Subcontractor or vendor as a result of such direction by the administering agency, CMGC may request the Authority or United States to enter into such litigation to protect the interests of the United States.

CMGC agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of all its Subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

CMGC further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a Subcontractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon CMGCs and Subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order.

SECTION 1.03. ANTI-KICKBACK.

CMGC shall comply with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR Part 3), and shall require all of its Subcontractors to comply. Those requirements are set forth in greater detail below. CMGC and all Subcontractors are prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled.

SECTION 1.04. DAVIS-BACON.

CMGC shall comply with the Davis-Bacon Act (40 U.S.C. 3141-3148) as supplemented by Department of Labor regulations (29 CFR Part 5), and shall require all its Subcontractors to

comply. To the extent that California law differs from the Davis-Bacon Act, CMGC and its Subcontractors shall comply with the more stringent requirement.

CMGC must pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor.

In accordance with the Davis-Bacon Act, CMGC must pay the required wages not less than once per week.

By entering into the Contract, CMGC has accepted the wage determination(s) applicable to the Work, and agrees to comply with the wage determination(s).

SECTION 1.05. WAGES, CONTRACT WORK HOURS AND SAFETY STANDARDS.

In accordance with 29 C.F.R. section 5.5, CMGC agrees to comply with the contract provisions for Davis-Bacon and Related Acts (“DBRA”). These contract provisions are set forth below and may be found on the internet at:

<https://www.epa.gov/grants/contract-provisions-davis-bacon-and-related-acts>

These mandatory contract provisions are set forth below and they, as well as the wage determinations, are fully incorporated herein by reference.

(a) Labor standards.

(1) ***Minimum wages.***

(i) ***Wage rates and fringe benefits.*** All laborers and mechanics employed or working upon the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the CMGC and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in section 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be

compensated at the rate specified for each classification for the time actually worked therein: *Provided*, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph (a)(1)(ii) of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the CMGC and its Subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

(ii) ***Frequently recurring classifications.***

(A) In addition to wage and fringe benefit rates that have been determined to be prevailing under the procedures set forth in [29 CFR part 1](#), a wage determination may contain, pursuant to [§ 1.3\(f\)](#), wage and fringe benefit rates for classifications of laborers and mechanics for which conformance requests are regularly submitted pursuant to [paragraph \(a\)\(1\)\(iii\)](#) of this section, provided that:

- (1) The work performed by the classification is not performed by a classification in the wage determination for which a prevailing wage rate has been determined;
- (2) The classification is used in the area by the construction industry; and
- (3) The wage rate for the classification bears a reasonable relationship to the prevailing wage rates contained in the wage determination.

(B) The Administrator will establish wage rates for such classifications in accordance with [paragraph \(a\)\(1\)\(iii\)\(A\)\(3\)](#) of this section. Work performed in such a classification must be paid at no less than the wage and fringe benefit rate listed on the wage determination for such classification.

(iii) ***Conformance.***

(A) Any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the Contract must be classified in conformance with the wage determination. Conformance of an additional classification and wage rate and fringe benefits is appropriate only when the following criteria have been met:

- (1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and
- (2) The classification is used in the area by the construction industry; and
- (3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) The conformance process may not be used to split, subdivide, or otherwise avoid application of classifications listed in the wage determination.

(C) If CMGC and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken will be sent by the contracting officer by email to DBAconformance@dol.gov. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) In the event CMGC, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer will, by email to DBAconformance@dol.gov, refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer within the 30-day period that additional time is necessary.

(E) The Authority will promptly notify CMGC of the action taken by the Wage and Hour Division under [paragraphs \(a\)\(1\)\(iii\)\(C\)](#) and [\(D\)](#) of this section. CMGC must furnish a written copy of such determination to each affected worker or it must be posted as a part of the wage determination. The wage rate (including fringe benefits where appropriate) determined pursuant to [paragraph \(a\)\(1\)\(iii\)\(C\)](#) or [\(D\)](#) of this section must be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iv) ***Fringe benefits not expressed as an hourly rate.*** Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, CMGC shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(v) ***Unfunded plans.*** If CMGC does not make payments to a trustee or other third person, CMGC may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, *Provided*, That the Secretary of Labor has found, upon the written request of the CMGC, in accordance with the criteria set forth in 29 CFR part 5, [§ 5.28](#), that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the CMGC to set aside in a separate account assets for the meeting of obligations under the plan or program.

(vi) ***Interest.*** In the event of a failure to pay all or part of the wages required by the Contract, CMGC will be required to pay interest on any underpayment of wages.

(2) ***Withholding.***

(i) ***Withholding Requirements.*** The Authority may, upon its own action, or must upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from CMGC so much of the accrued payments or advances as may be considered necessary to satisfy the liabilities of CMGC or any Subcontractor for the full amount of wages and monetary relief, including interest, required by the clauses set forth in [paragraph \(a\)](#) of this section for violations of this Contract, or to satisfy any such liabilities required by any other Federal contract, or federally assisted contract subject to Davis-Bacon labor standards, that is held by the same prime contractor (as defined in 29 C.F.R. § 5.2). The necessary funds may be withheld from CMGC under this Contract, any other Federal contract with the same CMGC, or any other federally assisted contract that is subject to Davis-Bacon labor standards requirements and is held by the same CMGC, regardless of whether the other contract was awarded or assisted by the same agency, and such funds may be used to satisfy the CMGC liability for which the funds were withheld. In the event of a failure to pay any laborer or mechanic, including any apprentice or helper working on the site of the work (or otherwise working in construction or development of the project under a development statute) all or part of the wages required by the Contract, or upon the failure to submit the required records as discussed in [paragraph \(a\)\(3\)\(iv\)](#) of this section, the applicable federal agency and/or the Authority may on its own initiative and after written notice to CMGC, sponsor, applicant, owner, or other entity, as the case may be, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(ii) ***Priority to withheld funds.*** The Department has priority to funds withheld or to be withheld in accordance with [paragraph \(a\)\(2\)\(i\)](#) or [\(b\)\(3\)\(i\)](#) of this section, or both, over claims to those funds by:

(A) CMGC's surety(ies), including without limitation performance bond sureties and payment bond sureties;

(B) The Authority for its procurement costs;

(C) A trustee(s) (either a court-appointed trustee or a U.S. trustee, or both) in bankruptcy of CMGC, or CMGC's bankruptcy estate;

(D) CMGC's assignee(s);

(E) CMGC's successor(s); or

(F) A claim asserted under the Prompt Payment Act, [31 U.S.C. 3901-3907](#).

(3) *Payrolls and basic records*

(i) *Basic record requirements*

(A) ***Length of record retention.*** All regular payrolls and other basic records must be maintained by CMGC and any subcontractor during the course of the work and preserved for all laborers and mechanics working at the site of the work (or otherwise working in construction or development of the project under a development statute) for a period of at least 3 years after all the work on the prime contract is completed.

(B) ***Information required.*** Such records must contain the name; Social Security number; last known address, telephone number, and email address of each such worker; each worker's correct classification(s) of work actually performed; hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in [40 U.S.C. 3141\(2\)\(B\)](#) of the Davis-Bacon Act); daily and weekly number of hours actually worked in total and on each covered contract; deductions made; and actual wages paid.

(C) ***Additional records relating to fringe benefits.*** Whenever the Secretary of Labor has found under [paragraph \(a\)\(1\)\(v\)](#) of this section that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in [40 U.S.C. 3141\(2\)\(B\)](#) of the Davis-Bacon Act, CMGC must maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits.

(D) ***Additional records relating to apprenticeship.*** CMGC with apprentices working under approved programs must maintain written evidence of the registration of apprenticeship programs, the registration of the apprentices, and the ratios and wage rates prescribed in the applicable programs.

(ii) *Certified payroll requirements*

(A) ***Frequency and method of submission.*** CMGC must submit weekly, for each week in which any DBA- or Related Acts-covered work is performed, certified payrolls to the Authority for transmission to the federal funding agency. CMGC is responsible for the submission of all certified payrolls by all Subcontractors. A contracting agency or CMGC may permit or require the submission of certified payrolls through an electronic system, as long as the electronic system requires a legally valid electronic signature; the system allows CMGC, the contracting agency, and the Department of Labor to access the certified payrolls upon request for at least 3 years after the work on the prime contract has been completed; and the contracting agency or CMGC permits other methods of submission in situations where CMGC is unable or limited in its ability to use or access the electronic system.

(B) **Information required.** The certified payrolls submitted must set out accurately and completely all of the information required to be maintained under [paragraph \(a\)\(3\)\(i\)\(B\)](#) of this section, except that full Social Security numbers and last known addresses, telephone numbers, and email addresses must not be included on weekly transmittals. Instead, the certified payrolls need only include an individually identifying number for each worker (e.g., the last four digits of the worker's Social Security number). The required weekly certified payroll information may be submitted using Optional Form WH-347 or in any other format desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division website at <https://www.dol.gov/sites/dolgov/files/WHD/legacy/files/wh347/.pdf> or its successor website. It is not a violation of this section for CMGC to require a Subcontractor to provide full Social Security numbers and last known addresses, telephone numbers, and email addresses to the prime contractor for its own records, without weekly submission by the subcontractor to the sponsoring government agency (or the applicant, sponsor, owner, or other entity, as the case may be, that maintains such records).

(C) **Statement of Compliance.** Each certified payroll submitted must be accompanied by a “Statement of Compliance,” signed by CMGC or Subcontractor, or CMGC's or Subcontractor's agent who pays or supervises the payment of the persons working on the contract, and must certify the following:

- (1) That the certified payroll for the payroll period contains the information required to be provided under [paragraph \(a\)\(3\)\(ii\)](#) of this section, the appropriate information and basic records are being maintained under [paragraph \(a\)\(3\)\(i\)](#) of this section, and such information and records are correct and complete;
- (2) That each laborer or mechanic (including each helper and apprentice) working on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in [29 CFR part 3](#); and
- (3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification(s) of work actually performed, as specified in the applicable wage determination incorporated into the contract.

(D) **Use of Optional Form WH-347.** The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 will satisfy the requirement for submission of the “Statement of Compliance” required by [paragraph \(a\)\(3\)\(ii\)\(C\)](#) of this section.

(E) **Signature.** The signature by CMGC, Subcontractor, or CMGC's or Subcontractor's agent must be an original handwritten signature or a legally valid electronic signature.

(F) ***Falsification.*** The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under [18 U.S.C. 1001](#) and [31 U.S.C. 3729](#).

(G) ***Length of certified payroll retention.*** CMGC and Subcontractors must preserve all certified payrolls during the course of the work and for a period of 3 years after all the work on the prime contract is completed.

(iii) ***Contracts, subcontracts, and related documents.*** CMGC and Subcontractors must maintain this Contract or Subcontract and related documents including, without limitation, bids, proposals, amendments, modifications, and extensions. CMGC and Subcontractors must preserve these Contracts, Subcontracts, and related documents during the course of the work and for a period of 3 years after all the work on the prime contract is completed.

(iv) ***Required disclosures and access***

(A) ***Required record disclosures and access to workers.*** The CMGC and any Subcontractor must make the records required under [paragraphs \(a\)\(3\)\(i\)](#) through [\(iii\)](#) of this section, and any other documents that the Department of Reclamation or the Department of Labor deems necessary to determine compliance with the labor standards provisions of any of the applicable statutes, available for inspection, copying, or transcription by authorized representatives of the Department of Reclamation or the Department of Labor, and must permit such representatives to interview workers during working hours on the job.

(B) ***Sanctions for non-compliance with records and worker access requirements.*** If the CMGC or any Subcontractor fails to submit the required records or to make them available, or refuses to permit worker interviews during working hours on the job, the Federal agency may, after written notice to the CMGC, sponsor, applicant, owner, or other entity, as the case may be, that maintains such records or that employs such workers, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available, or to permit worker interviews during working hours on the job, may be grounds for debarment action. In addition, any CMGC or other person that fails to submit the required records or make those records available within the time requested for the records to be produced will be precluded from introducing as evidence in an administrative proceeding under [29 CFR part 6](#) any of the required records that were not provided or made available as requested. The requesting Department will take into consideration a reasonable request from the CMGC or person for an extension of the time for submission of records. The Department will determine the reasonableness of the request and may consider, among other things, the location of the records and the volume of production.

(C) ***Required information disclosures.*** The CMGC and Subcontractors must maintain the full Social Security number and last known address, telephone number, and email address of each covered worker, and must provide them upon request to the Department of Reclamation if the agency is a party to the contract, or to the Wage and Hour Division of

the Department of Labor. If the Department of Reclamation is not such a party to the contract, the CMGC, Subcontractor, or both, must, upon request, provide the full Social Security number and last known address, telephone number, and email address of each covered worker to the applicant, sponsor, owner, or other entity, as the case may be, that maintains such records, for transmission to the Department of Reclamation, the CMGC, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or other compliance action.

(4) *Apprentices and equal employment opportunity* —

(i) *Apprentices* —

(A) ***Rate of pay.*** Apprentices will be permitted to work at less than the predetermined rate for the work they perform when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship (OA), or with a State Apprenticeship Agency recognized by the OA. A person who is not individually registered in the program, but who has been certified by the OA or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice, will be permitted to work at less than the predetermined rate for the work they perform in the first 90 days of probationary employment as an apprentice in such a program. In the event the OA or a State Apprenticeship Agency recognized by the OA withdraws approval of an apprenticeship program, the contractor will no longer be permitted to use apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(B) ***Fringe benefits.*** Apprentices must be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringe benefits must be paid in accordance with that determination.

(C) ***Apprenticeship ratio.*** The allowable ratio of apprentices to journeymen on the job site in any craft classification must not be greater than the ratio permitted to the contractor as to the entire work force under the registered program or the ratio applicable to the locality of the project pursuant to [paragraph \(a\)\(4\)\(i\)\(D\)](#) of this section. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated in [paragraph \(a\)\(4\)\(i\)\(A\)](#) of this section, must be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under this section must be paid not less than the applicable wage rate on the wage determination for the work actually performed.

(D) ***Reciprocity of ratios and wage rates.*** Where CMGC is performing construction on a project in a locality other than the locality in which its program is registered, the ratios and

wage rates (expressed in percentages of the journeyworker's hourly rate) applicable within the locality in which the construction is being performed must be observed. If there is no applicable ratio or wage rate for the locality of the project, the ratio and wage rate specified in the contractor's registered program must be observed.

(ii) ***Equal employment opportunity.*** The use of apprentices and journeyworkers under this part must be in conformity with the equal employment opportunity requirements of [Executive Order 11246](#), as amended, and [29 CFR part 30](#).

(5) ***Compliance with Copeland Act requirements.*** CMGC shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

(6) ***Subcontracts.*** CMGC or Subcontractor shall insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the applicable Federal agency may by appropriate instructions require, and also a clause requiring the Subcontractors to include these clauses in any lower tier subcontracts. **CMGC shall be responsible for the compliance by any Subcontractor or lower tier Subcontractor with all the contract clauses in 29 CFR 5.5.**

(7) ***Contract termination: debarment.*** A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a CMGC and a Subcontractor as provided in 29 CFR 5.12.

(8) ***Compliance with Davis-Bacon and Related Act requirements.*** All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

(9) ***Disputes concerning labor standards.*** Disputes arising out of the labor standards provisions of this Contract shall not be subject to the general disputes clause of this Contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between CMGC (or any of its Subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

(10) ***Certification of eligibility.***

(i) By entering into this Contract, CMGC certifies that neither it (nor he or she) nor any person or firm who has an interest in CMGC's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(ii) No part of this Contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

(11) **Anti-retaliation.** It is unlawful for any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, or to cause any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, any worker or job applicant for:

- (i) Notifying any CMGC of any conduct which the worker reasonably believes constitutes a violation of the Davis-Bacon Act, related acts, this part, or [29 CFR part 1](#) or [3](#);
- (i) Filing any complaint, initiating or causing to be initiated any proceeding, or otherwise asserting or seeking to assert on behalf of themselves or others any right or protection under the Davis-Bacon Act, related acts, this part, or [29 CFR part 1](#) or [3](#);
- (ii) Cooperating in any investigation or other compliance action, or testifying in any proceeding under the Davis-Bacon Act, related acts, this part, or [29 CFR part 1](#) or [3](#); or
- (iv) Informing any other person about their rights under the Davis-Bacon Act, related acts, this part, or [29 CFR part 1](#) or [3](#).

(b) **Contract Work Hours and Safety Standards Act.** CMGC shall comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708), as supplemented by Department of Labor regulations in 29 CFR Part 5 and 2 CFR 200 Appendix II(E). In accordance with 29 C.F.R. section 5.5(b), CMGC agrees to comply with the following, and to require all of its Subcontractors to comply with the following. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

(1) **Overtime requirements.** No CMGC or Subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(2) **Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the clause set forth in paragraph (b)(1) of this section, CMGC and any Subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such CMGC and Subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (b)(1) of this section, in the sum of \$29 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty

hours without payment of the overtime wages required by the clause set forth in paragraph (b)(1) of this section.

(3) *Withholding for unpaid wages and liquidated damages.*

- (i) Withholding process. The funding federal agency or the Authority may, upon its own action, or must, upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from CMGC so much of the accrued payments or advances as may be considered necessary to satisfy the liabilities of CMGC or any Subcontractor for any unpaid wages; monetary relief, including interest; and liquidated damages required by the clauses set forth in this paragraph (b) on this contract, any other Federal contract with the same CMGC, or any other federally assisted contract subject to the Contract Work Hours and Safety Standards Act that is held by the same CMGC (as defined in 29 C.F.R. § 5.2). The necessary funds may be withheld from CMGC under this Contract, any other Federal contract with the same CMGC, or any other federally assisted contract that is subject to the Contract Work Hours and Safety Standards Act and is held by the same CMGC, regardless of whether the other contract was awarded or assisted by the same agency, and such funds may be used to satisfy the CMGC liability for which the funds were withheld.
- (ii) Priority to withheld funds. The Department or the Authority has priority to funds withheld or to be withheld in accordance with paragraph (a)(2)(i) or (b)(3)(i) of this section, or both, over claims to those funds by:
 - (A) CMGC's surety(ies), including without limitation performance bond sureties and payment bond sureties;
 - (B) The Authority for its procurement costs;
 - (C) A trustee(s) (either a court-appointed trustee or a U.S. trustee, or both) in bankruptcy of CMGC, or CMGC's bankruptcy estate;
 - (D) CMGC's assignee(s);
 - (E) CMGC's successor(s); or
 - (F) A claim asserted under the Prompt Payment Act, 31 U.S.C. 3901–3907.

(4) *Subcontracts.* CMGC or Subcontractor shall insert in any subcontracts the clauses set forth in paragraph (b)(1) through (5) of this section and also a clause requiring the Subcontractors to include these clauses in any lower tier subcontracts. CMGC shall be responsible for compliance by any Subcontractor or lower tier Subcontractor with the clauses set forth in paragraphs (b)(1) through (5) of this section. In the event of any violations of these clauses, CMGC and any Subcontractor(s) responsible will be liable for any unpaid wages and monetary relief, including interest from the date of the underpayment or loss, due to any

workers of lower-tier Subcontractors, and associated liquidated damages and may be subject to debarment, as appropriate.

(5) ***Anti-Retaliation.*** It is unlawful for any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, or to cause any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, any worker or job applicant for:

- (i) Notifying CMGC or any contractor of any conduct which the worker reasonably believes constitutes a violation of the Contract Work Hours and Safety Standards Act (CWHSSA) or its implementing regulations in this part;
- (ii) Filing any complaint, initiating or causing to be initiated any proceeding, or otherwise asserting or seeking to assert on behalf of themselves or others any right or protection under CWHSSA or this part;
- (iii) Cooperating in any investigation or other compliance action, or testifying in any proceeding under CWHSSA or this part; or
- (iv) Informing any other person about their rights under CWHSSA or this part.

(c) In addition to the clauses contained in paragraph (b), in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other statutes cited in § 5.1, CMGC or Subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the Contract for all laborers and mechanics, including guards and watchmen, working on the Contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Further, the records to be maintained under this paragraph shall be made available by the CMGC or Subcontractor for inspection, copying, or transcription by authorized representatives of the Authority and the Department of Labor, and CMGC or Subcontractor will permit such representatives to interview employees during working hours on the job.

With respect to all requirements in this Section 1.05, to the extent that California law differs, CMGC and its Subcontractors shall comply with the more stringent requirement.

SECTION 1.06. FEDERAL ACCESS TO RECORDS.

CMGC shall allow access by representative(s) from the United States Bureau of Reclamation and/or the Department of the Interior, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the CMGC which are directly pertinent to this Contract for the purpose of making audit, examination, excerpts, and transcriptions. CMGC shall maintain all books, documents, papers, and records directly pertinent to the Contract for three (3) years after the Authority makes the final payment to CMGC for the Work on the Project.

SECTION 1.07. CLEAN AIR AND CLEAN WATER ACTS.

CMGC shall comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. sections 7401-7671q), the Clean Water Act (33 U.S.C. sections 1251-1387), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 35, subpart E, Appendix C-2), which prohibit the use under non-exempt federal contracts, grants, or loans of facilities included in the United States Environmental Protection Agency List of Violating Facilities. CMGC agrees to report any violation to the Authority, and understands and agrees that the Authority will report each violation as required to the appropriate Federal agencies, including, without limitation, the Environmental Protection Agency Regional Office.

SECTION 1.08. ENERGY EFFICIENCY.

CMGC shall comply with mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 965).

SECTION 1.09. TRAFFICKING VICTIMS PROTECTION ACT (TVPA) OF 2000 (2 CFR Part 175).

- A. CMGC, its employees, and its Subcontractors, may not—
 - (1) Engage in severe forms of trafficking in persons during the period of time that the Contract is in effect;
 - (2) Procure a commercial sex act during the period of time that the Contract is in effect; or
 - (3) Use forced labor in the performance of this Contract.
- B. The Authority may unilaterally terminate this Contract, without penalty, if CMGC or its Subcontractor(s) —
 - (1) Is determined to have violated a prohibition in the above paragraph A or
 - (2) Has an employee who is determined by the Authority to have violated a prohibition in the above paragraph A through conduct that is either—
 - a. Associated with performance under this Contract; or
 - b. Imputed to CMGC or its Subcontractor using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, “OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Nonprocurement),” as implemented by the Department of the Interior at 2 CFR part 1400.
 - (3) CMGC must inform the Authority immediately of any information received from any source alleging a violation of a prohibition in the above paragraph A during the term of the Contract.
 - (4) The Authority’s right to terminate unilaterally that is described in the above paragraph B of this section:
 - a. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and
 - b. Is in addition to all other remedies for noncompliance that are available to

the Authority under this Contract.

(5) Definitions:

- a. “Employee” means either:
 - (i) An individual employed by CMGC or a Subcontractor who is engaged in the performance of this Contract; or
 - (ii) Another person engaged in the performance of the Contract and not compensated by CMGC including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution.
- b. “Forced labor” means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.
- c. “Severe forms of trafficking in persons,” “commercial sex act,” and “coercion” have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).

SECTION 1.10. DEBARMENT AND SUSPENSION (Executive Orders 12549 and 12689).

By executing the Contract, CMGC represents that it is not listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

SECTION 1.11. RESTRICTIONS ON LOBBYING (43 CFR §18).

CMGC agrees to comply with 43 CFR 18, New Restrictions on Lobbying. CMGC will provide and cause Subcontractors of every tier to provide the certification attached hereto as Attachment 1 certifying that:

- A. No Contract funds will be paid, by or on behalf of CMGC, to any person for influencing or attempting to influence an officer or employee of the United States Bureau of Reclamation, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- B. If any funds other than the Contract funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the CMGC shall complete and submit OMB Standard Form-

LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.

- C. CMGC shall require that the language of this certification be included in the award documents for all subcontracts of \$150,000 or more and that all such Subcontractors shall certify accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

SECTION 1.12. DRUG-FREE WORKPLACE.

CMGC is obligated to distribute to each employee who will be engaged in the performance of any work on the Contract the following statement:

The unlawful manufacture, distribution, dispensing, possession, or use of any controlled substance is prohibited in the workplace. As a condition of employment, you must agree to abide by this statement and must notify the Authority in writing within five calendar days of the conviction if you are convicted of a criminal drug statute violation occurring in your workplace.

In addition, CMGC must publish a statement that—

- (a) Tells its employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in your workplace;
- (b) Specifies the actions that it will take against employees for violating that prohibition; and
- (c) Lets each employee know that, as a condition of employment under any award, they:
 - (1) Will abide by the terms of the statement; and
 - (2) Must notify CMGC in writing if they are convicted for a violation of a criminal drug statute occurring in the workplace and must do so no more than five calendar days after the conviction.

Further, CMGC must notify its employees of any drug counseling, rehabilitation, or assistance program that it offers and the actions that the CMGC will take against employees for violation of the drug-free workplace requirements.

SECTION 1.13. PROCUREMENT OF RECOVERED MATERIALS.

CMGC agrees that it and its Subcontractors will comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, including procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where:

- (A) the purchase price of the item during the fiscal year exceeds \$10,000 or

- (B) CMGC procured over \$10,000 of the item during the preceding fiscal year on federally funded contracts.

The list of EPA-designated items is available at www.epa.gov/smm/comprehensive-procurement-guidelines-construction-products.

Section 6002(c) establishes exceptions to the preference for recovery of EPA-designated products if the CMGC can demonstrate the item:

- (A) is not reasonably available within a timeframe providing for compliance with the contract performance schedule;
- (B) fails to meet reasonable contract performance requirements; or
- (C) is only available at an unreasonable price.

SECTION 1.14. DOMESTIC PREFERENCES FOR PROCUREMENTS.

As required by 2 C.F.R. section 200.322 and the Build America, Buy America Act, CMGC, as appropriate and consistent with the law, shall, to the greatest extent practicable and consistent with law, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including, but not limited to iron, aluminum, steel, cement, and other manufactured products).

- A. “Produced in the United States” means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.
- B. “Manufactured products” means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride (PVC) pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

CMGC shall bind its Subcontractors to this clause.

This Project may be subject to the Buy America domestic content sourcing requirements under the Build America, Buy America (BABA) provisions of the Infrastructure Investment and Jobs Act (IIJA) (P.L. 117-58, §§ 70911-70917). These provisions apply when using Federal funds for the purchase of goods, products, and materials on any form of construction, alteration, maintenance, or repair of infrastructure in the United States. BABA requires that all iron, steel, manufactured products, and construction materials consumed in, incorporated into, or affixed to federally funded infrastructure projects must be produced in the United States.

SECTION 1.15. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE.

As required by 2 C.F.R. section 200.216, CMGC is prohibited from procuring or obtaining equipment, services, or systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment or services means:

- A. Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

- B. For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).
- C. Telecommunications or video surveillance services provided by such entities or using such equipment.
- D. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

ATTACHMENT 1

BYRD ANTI-LOBBYING AMENDMENT CERTIFICATION

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit OMB Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts) in excess of \$150,000 and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this Contract was made or entered into. Submission of this certification is a prerequisite for making or entering into this Contract imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

CMGC [or Subcontractor] certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, CMGC [or Subcontractor] understands and agrees that the provisions of 31 U.S.C. Chapter 38, Administrative Remedies for False Claims and Statements, as well as any California remedies, apply to this certification and disclosure, if any.

I certify that I am duly authorized to legally bind CMGC [or Subcontractor] to this certification, that the contents of this certification are true, and that this certification is made under the laws of the State of California.

Date: _____

Contractor's Name: _____

Signature: _____

Print Name/Title: _____

EXHIBIT D

PRECONSTRUCTION SERVICES

A. General:

The CMGC shall perform the Preconstruction Services with the degree of care and skill ordinarily exercised by CM/GC firms providing similar services in California, shall coordinate its services with SLDMWA, the Engineer (Reclamation), and other SLDMWA consultants, and shall be responsible for the acts and omissions of its subconsultants and subcontractors performing Preconstruction Services.

Reference Documents. The CMGC shall perform the Preconstruction Services described in this Exhibit D using the planning-level and reference documents furnished with the Request for Proposals (RFP), including, but not limited to, RFP Exhibit B (Preliminary Design Information) and RFP Exhibit C (Geotechnical/Reference Reports). These RFP exhibits are not reattached to this Agreement but are incorporated here by reference for purposes of Preconstruction Services.

B. Items of Preconstruction Services:

1. ***Collaboration, Partnering, and Administration:*** The CMGC shall lead and participate in a structured program of meetings and related project administration during Preconstruction Services for Project Task 1 and Project Task 2. The purpose is to keep SLDMWA, the Engineer, and other project stakeholders aligned on design progress, constructability, risk, and GMP development. It is not the CMGC's responsibility to ascertain that the drawings and specifications are in accordance with laws and codes; however, if the CMGC recognizes, or should reasonably have recognized, a variance, it shall promptly notify the Engineer and SLDMWA in writing.
 - a. **Partnering.** Within the first thirty (30) days after Notice to Proceed for Preconstruction Services, the CMGC shall plan and conduct one (1) facilitator-led partnering session with SLDMWA, the Engineer, and other invitees identified by the Authority. The CMGC shall furnish the partnering facilitator and propose the facilitator to the Authority for written approval before scheduling the session. The session will confirm project goals, roles and responsibilities, communication and escalation paths, and initial risk and innovation topics. In addition to the kickoff session, the CMGC shall plan for and conduct up to two (2) additional facilitated partnering sessions during the Preconstruction period, to coincide with major design milestones (for example, 60 percent and 90 percent). All CMGC labor, planning, coordination, meeting materials, and facilitator costs for these sessions shall be included in the CMGC's fixed fee for Preconstruction Services.
 - b. **Weekly project meetings.** The Project Team shall hold weekly meetings throughout the Phase 1 Preconstruction period. Meetings will occur in person on the first and third weeks of each month at SLDMWA's offices or project site

(except for Reclamation staff, who may attend virtually). Meetings on alternate weeks may be held virtually via Microsoft Teams.

Each meeting shall include review and discussion of:

- i. Design progress and constructability comments.
- ii. Field and geotechnical investigation results.
- iii. Environmental and permitting coordination.
- iv. Risk register updates and mitigation actions.
- v. Cost and schedule status related to GMP development.
- vi. Action items and next steps.

- b. Agendas, minutes, and action log.** The CMGC shall prepare and distribute meeting agendas (24 hours in advance) and meeting minutes (within 2 business days), documenting key discussions, decisions, and assigned action items. The Authority's Representative shall review and approve meeting minutes for record. The CMGC shall maintain a consolidated action log tracking items to closure, accessible to all team members through the Authority's document-management system.
- c. Project administration.** The CMGC shall perform the day-to-day administrative tasks necessary to support Preconstruction Services, including document circulation, maintenance of the preconstruction file structure in the Authority's system, tracking of submittals and deliverables from CMGC to the Authority and the Engineer, and coordination with Authority staff on meeting dates, locations, and virtual links. These administrative tasks are included in the CMGC's fixed fee for this item and are not separately compensable.
- d. Monthly preconstruction progress report and invoicing.** Once each month, the CMGC shall submit a concise preconstruction progress report that summarizes work completed during the period, identifies issues requiring Authority direction, and reports percent complete for the preconstruction activities tied to Project Task 1 and Project Task 2, consistent with the CMGC's fee proposal. Invoices for Preconstruction Services shall follow the General Conditions and shall reference the activities and percent complete reported in the monthly progress report.
- e. Preconstruction schedule.** The CMGC will develop and maintain a detailed schedule for Preconstruction Services covering Tasks 1 and 2. The schedule will be prepared in Primavera P6 or Microsoft Project and will be organized as a Gantt chart with clearly defined activities, logic ties, durations, summary milestones, and critical path identification. The schedule will serve as the baseline planning tool for coordination, sequencing, deliverables, and development of the GMP.

The CMGC will update the schedule monthly and provide revised logic, progress status, and forecast dates for key milestones. Updates will reflect coordination decisions made during Preconstruction Services and will be submitted to SLDMWA for review.

- i. Develop an initial baseline Preconstruction Schedule covering the full duration of Tasks 1 and 2.
 - ii. Include workshops, review cycles, coordination meetings, submittal preparation, SLDMWA review durations, and Preconstruction deliverable milestones.
 - iii. Include design deliverable milestones and CMGC review windows, as coordinated with SLDMWA and Reclamation.
 - iv. Include timing for GMP proposal preparation, negotiation, Construction Contract execution, and Notice(s) to Proceed.
 - v. Revise the schedule monthly to reflect progress, logic adjustments, and updated durations, and submit to SLDMWA for review.
- f. Risk register.** The CMGC shall establish, maintain, and update a project risk register covering Preconstruction activities for Task 1 and Task 2. The risk register shall, at a minimum, identify the risk description, risk owner, likelihood, consequence, proposed mitigation, and current status. The CMGC shall update the register not less than monthly and after each facilitated partnering session, and shall upload the current register to the Authority's system. The CMGC shall use the risk register to inform schedule development, constructability recommendations, and GMP development.

Assumptions:

1. This item supports both Project Task 1 and Project Task 2. The CMGC shall price it once and allocate the priced amount between Task 1 and Task 2 in the same proportions used on the Fee Proposal form.
2. One initial partnering session will be an eight (8) hour, in-person session at either SLDMWA's Los Banos or Tracy office; up to two (2) follow-up facilitated sessions will each be up to four (4) hours and may be in person or virtual, at the Authority's discretion. The CMGC will provide at least four (4) CMGC personnel for each partnering session.
3. For in-person and virtual weekly project meetings, the CMGC will provide up to four (4) CMGC personnel appropriate to the agenda. This headcount is inclusive of CMGC's project management and technical staff and is not intended to modify or limit the key-personnel requirements stated elsewhere in the RFP or Agreement.
4. Weekly in-person and virtual project meetings will be planned for up to two (2) hours.
5. The CMGC will furnish the facilitator and all partnering materials; the facilitator must be approved in writing by the Authority before use.
6. The Authority will provide access to its document- or contract-management system for uploading agendas, minutes, action logs, monthly reports, and the risk register.
7. SLDMWA will identify design deliverable milestone dates for incorporation into the Preconstruction schedule.
8. Review duration assumptions will be coordinated with SLDMWA during Preconstruction schedule development.

Deliverables:

1. Partnering session agenda, materials, and sign-in sheets (PDF).
 2. Weekly meeting agendas (PDF) issued ≥ 24 hours before each meeting.
 3. Weekly meeting minutes (PDF) issued within 2 business days, including attendance, decisions, and action items.
 4. Consolidated action-item log in the Authority's system (native format as required).
 5. Monthly Preconstruction Progress Report (PDF) aligned to Project Task 1 and Project Task 2 activities.
 6. Baseline Preconstruction Schedule and monthly updates in P6 XER or Microsoft Project (MPP) format, with PDF Gantt chart export. One schedule narrative (PDF) per update summarizing key changes, delays, constraints, and critical path drivers. Monthly risk register update (Excel or Authority-approved format).
2. **Site Investigations:** The CMGC shall perform the site and field investigations described in this Item to support constructability review, work sequencing, and GMP development for Project Task 1 and Project Task 2.
- a. **General Site and Document Review.** CMGC shall carefully examine the site at which the work will be performed and all of the documents included in the contract documents; perform all reasonable investigations essential to a full understanding of the difficulties that may be encountered in performing the work; and acquaint itself through reasonable discovery with the conditions under which the work is to be performed, including, without limitation, local labor conditions, local weather patterns, restriction in access to and from the work site, prior work performed by others on the Project, and obstructions and other conditions relevant to the work, the site of the work and its surroundings. The CMGC shall promptly advise the Authority and the Engineer in writing of any apparent gaps, conflicts, or conditions that could affect construction of Task 1 or Task 2 so they can be addressed during Preconstruction.
 - b. **Borrow Site Investigations.** Stockpiles of native cut material, generated from the original construction of the DMC, exist along the embankments. Early effort of the Project focused on borrow site investigations occurring along the mid and lower portions of the Upper DMC, and approximately 132 test pits have already been excavated and logged. Several of these sites are qualified for use in Task 2 areas; however, limited qualified sites exist near the Task 1 area. The Authority has the necessary access and environmental clearances for the areas. Drawings of the available stockpiles are shown in RFP Exhibit B.3 with test pit logs and labs located in RFP Exhibit C – Appendix D & E.2. Existing on-site materials are anticipated to be of sufficient quantity and quality to meet Project embankment/fill material needs; imported aggregates and other processed materials are outside the scope of this borrow investigation.

The CMGC shall excavate, log, and test up to 12 CMGC-selected borrow/stockpile areas taken from RFP Exhibit B.3. The CMGC may allocate those 12 areas between

Task 1 and Task 2 in any proportion (for example, eight (8) areas for Task 1 and four (4) areas for Task 2) without change in the CMGC's fixed fee for this Item. For each selected borrow/stockpile area, the CMGC shall excavate two (2) additional test pits to collect and test soil samples, for a maximum of twenty-four (24) test pits under this Item. The 12 CMGC-selected borrow/stockpile areas for additional investigation will be submitted for SLDMWA review and approval before mobilization.

- i. Each test pit will be sufficiently deep to characterize the soil profile of the stockpile while avoiding excavation into native material. The depth of each stockpile is unknown.
- ii. Access by personnel in the test pit will not be required but grab samples from bucket loads will be necessary every 2-feet in depth.
- iii. CMGC shall employ an Engineer specializing in the geotechnical discipline or Geologist to log, photograph, characterize and prepare each bulk sample for laboratory testing.
- iv. CMGC will review each area for equipment access and is responsible for the safety of its employees and sub-contractors -during excavation activities
- v. CMGC shall share the information with SLDMWA and Reclamation to determine soil suitability for use in the project.
- vi. Laboratory testing must follow the schedule in the following table.

Lab Test Description		ASTM Reference Standard	Minimum Testing Frequency	Comments
USCS Class. (ASTM D2487)	Sieve analysis	ASTM D6913 (Method A) or C136 after D1140, or C117	x2 / test pit	Coarse-grained soils, methods are dependent on estimated fines content. Note D422 has been superseded.
	Hydrometer analysis	ASTM D7928	x1 / test pit	Fine-grained soils (silt and clay)
	Atterberg limits	ASTM D4318	x1 / test pit	1-point method to be used for liquid limit. If insufficient material for LL/PI, estimate fines as silty or clayey using ASTM D2488
Dispersion Suite	Crumb dispersion test	ASTM D6572	x1 / test pit	Crumb and pinhole shall be run on the same sample when possible.
	Pinhole dispersion test	ASTM D4647	x1 / test pit	Not applicable for soils with <12% fines or PI=<8.
	Double hydrometer test	ASTM D4221	x1 / test pit	Provide quantitative measure to reduce false negatives.
Water content		ASTM D2216	x2 / test pit	

One-dimensional swell or collapse	ASTM D4546 Method C	x1 / 4 test pits or x1 / borrow area	Minimum frequency should be performed for which ever is greater.
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Notes. 1. Use most up to date ASTM standards.

2. Provide test pit log using ASTM D2488-17e1, visual classification in field, provide percentages in soil descriptions.
3. Minimum laboratory testing quantities are estimated. Actual test quantities may vary depending on subsurface conditions and materials encountered.

- c. Utility Investigation.** Underground utility mapping is ongoing by SLDMWA and will be furnished to CMGC during Preconstruction Services, together with Reclamation's existing-conditions drawings for the Task 1 and Task 2 work areas as they become available. Existing utilities along the DMC have been mapped using several methods consisting of visual line of sight, Ground Penetrating Radar Survey (GPRS), Electromagnetic (EM) locating, push camera inspection, sonde tracking, and potholing. Potholing was performed for utilities that cross the canal embankment at depths shallower than 2 ft. below the top of liner. Location by potholing was performed for public utility crossings, irrigation turnouts, and well discharge facilities identified by noninvasive methods and as-built records. Pothole certificates will be included for CMGC review. A table of existing utilities identified during project planning (feasibility level) for the DMC is enclosed in RFP Exhibit B.5 for informational purposes.

The Utility Investigation effort will consist of the CMGC familiarizing themselves with the utilities along the DMC with particular attention given to those utilities that pose a conflict with the Work, to verify information shown on the Reclamation drawings and mapping, and to inform development of access and work plans. The CMGC will reconcile observed conditions to the drawings and RFP Exhibit B.5, provide recommendation to SLDMWA on additional investigation needs, and produce an inventory of Pump Turnout and Well Discharge pipes that will need to temporarily be removed and reinstalled as part of the project work plan. This is a non-intrusive verification; no new USA notification or mark-out is required under this item. Exhibit B.5 is furnished for reference to gauge level of effort; the CMGC is responsible for addressing all potential utility impacts within Task 1 and Task 2 work areas and shall propose an appropriate level of effort in its Fixed Fee. Field observations and reporting under this Item are limited to utilities located within, or immediately adjacent to, the Task 1 and Task 2 work areas indicated on the RFP Exhibit A figures.

The CMGC will:

- i. Perform visual field observations and photography to verify the utility and its location with respect to the planned Work.

- ii. Develop a table and drawings showing all identified utility conflicts along with type, size, cover or elevation source, and location by station or milepost and offset.
- iii. Provide a brief method description for working around or protecting each conflict and flag others for protection during construction.
- iv. Identify locations where additional utility investigations may be warranted for Authority direction.
- v. Coordinate with public utility agencies, as necessary, for the purpose of gathering information.

Assumptions.

1. This item supports both Task 1 and Task 2; however, the CMGC shall propose this item as two separate fixed-fee amounts, one for Task 1 and one for Task 2, based on the CMGC's assessed level of effort for field observation and reporting within each Task work area.
2. The Authority will secure rights-of-entry (ROE), as needed, and coordinate access to up to twelve (12) potential borrow/stockpile areas.
3. The CMGC will field-mark proposed dig locations and submit Underground Service Alert (USA) notifications at least two (2) business days before excavation, in accordance with USA requirements.
4. The CMGC may, for its own purposes, perform explorations beyond the twelve (12) areas / twenty-four (24) test pits defined in the Scope of Work. Such work requires prior written approval from SLDMWA, will be non-compensable, and will not modify fixed fees, quantities, or the schedule.
5. RFP Exhibit B.5 (utility inventory) is furnished with the RFP for proposers' use in scoping level of effort. During Preconstruction Services, SLDMWA will furnish Reclamation existing-conditions drawings as they become available for verification.
6. Remote or desktop review (e.g., aerial imagery, Google Maps/Street View, or existing photographs) may be used for planning only and does not satisfy or replace the required field observation and photography.
7. The CMGC will perform minor hand vegetation disturbance (e.g., flattening, brushing aside, or cutting stems ≤ 1 inch diameter) as needed to visually observe utility features; mechanized clearing, grubbing, tree removal, or chipping is not included in this Item.
8. The CMGC will identify potential utility conflicts using its professional judgment, accounting for anticipated construction means and methods, equipment loads, temporary works, access routes, and sequencing.

Deliverables.

1. Draft and Final Borrow Investigation Reports (single consolidated report covering Task 1 and Task 2) in PDF format including: location map and marked-up plan sheets; logs, photos, and laboratory results in a format consistent with RFP Exhibit C appendices; an exhibit delineating usable borrow extents and ingress/egress;

estimated quantities of usable material by area; and a suitability conclusion with recommendations.

2. Draft and Final Utility Investigation Reports (single consolidated report covering Task 1 and Task 2) in PDF format. Content will document activities described in the Item description and include marked-up drawings of utility conflicts, tabulated data of utility conflicts, and recommended disposition of utilities during construction (e.g. do not disturb, remove and replace, relocate, or protect in place.)
 3. Upon request, the CMGC shall provide interim working materials (e.g., planning documents, field photos, preliminary tabulations, or draft mapping) in their then-current form, without additional formatting or compilation, to support review of progress during Preconstruction Services.
1. ***Environmental Review:*** The Project's environmental documentation under NEPA and CEQA has been prepared in a joint EA/IS with a Proposed Mitigated Negative Declaration. Final approvals of the Proposed Mitigated Negative Declaration will be obtained by SLDMWA and Reclamation prior to construction. All environmental commitments, permit conditions, and mitigation measures applicable to Tasks 1 through 4 construction are available at SLDMWA's website (<https://sldmwa.org/dmc-subsidence-project>). These commitments include constraints related to in-water work, noise and dust control, species protection, cultural resource monitoring, and hazardous material management.

The CMGC will review the applicable environmental commitments to identify how they may affect construction means and methods, access, staging, sequencing, and schedule for Tasks 1 and 2. The CMGC will advise SLDMWA and Reclamation where environmental constraints may influence Work planning and will incorporate applicable constraints into planning documents prepared under Preconstruction Services. CMGC Preconstruction Services will consist of, at a minimum:

- a. Review the environmental commitments relevant to Tasks 1 and 2 to determine effects on access, means and methods, sequencing, staging, and schedule.
- b. Prepare a Commitments Compliance Matrix listing each applicable measure, describing its field implementation requirements, and identifying the responsible party (CMGC, SLDMWA, or Reclamation).
- c. Identify potential conflicts or constraints that could affect cost, schedule, constructability, or a combination thereof and recommend practical approaches to accommodate identified constraints in the Work.
- d. Coordinate with SLDMWA's Environmental Consultant and Reclamation's environmental compliance staff to confirm interpretations and verify that proposed work methods meet permit and mitigation requirements.
- e. Reflect applicable commitments and constraints in the Work Plan, schedule logic, and GMP development for Tasks 1 and 2.
- f. Report previously unidentified potential environmental constraint discovered during site investigations to SLDMWA and Reclamation for direction.

Assumptions.

1. This item supports both Task 1 and Task 2; price once and allocate between Tasks in the same proportions used on the Fee Proposal form.
2. SLDMWA and Reclamation will obtain and manage all required environmental permits, conduct required biological and cultural resource surveys, and provide qualified monitors, as applicable.
3. The CMGC is not responsible for preparing environmental documents, permit applications, survey work, or monitoring plans.
4. Field access will be scheduled and coordinated by SLDMWA in accordance with environmental clearance requirements.
5. Nothing in this Item relieves the CMGC of obtaining and complying with construction-phase permits and authorizations required under other Preconstruction Services Scope of Work Items or GMP Amendment by Task, including preparation of the SWPPP under the Construction General Permit and any other CMGC-obtained permits, unless expressly provided by the SLDMWA.

Deliverables.

1. Environmental Commitments Compliance Matrix in Excel or PDF table format.
 2. Memorandum summarizing construction or schedule constraints and proposed solutions in PDF format.
 3. Marked-up drawings or notes identifying environmental buffer zones, access restrictions, or staging limitations (as applicable to Work Plan development) in PDF format.
 4. Input to the risk register (Item 1 Deliverable) regarding environmental risks and recommended mitigation.
4. ***Construction Management Plans:*** Tasks 1 and 2 involve concrete canal lining and embankment raising in designated reach segments of the Delta-Mendota Canal. In Task 2, five of the six identified sag areas include displaced or distorted concrete panels requiring replacement. The panel replacement will necessitate underwater work and the design, installation, and removal of a contractor-designed cofferdam or equivalent system to permit concrete placement in the dry. Development of a comprehensive Work Plan is required to establish safe, efficient, and constructible means and methods that will inform final design decisions and the Guaranteed Maximum Price (GMP).

The CMGC will prepare the following management plans during preconstruction. Plans may be developed to cover both Construction Task 1 and 2 (combined) or each Task separately, as jointly determined by the SLDMWA and CMGC.

- a. **Work Plan.** This plan will describe the CMGC's approach to construction, including construction methods, site access, haul routes, erosion and sediment control measures, construction sequencing, temporary facilities, traffic and equipment movement controls, and coordination with SLDMWA and Reclamation. The plan will also identify construction equipment requirements and relevant constraints that may affect work execution and scheduling.

- b. Safety Program.** These plans will include, at a minimum, the Injury and Illness Prevention Program, Written Safety Program and Code of Safe Practices, Pre-Work Safety Plan, Site-Specific Emergency Response Plan, Fire Prevention and Control Plan, Heat Illness Prevention Plan, Safety Data Sheets for materials to be used on site, Job Hazard Analysis, and Trenching and Excavation Safety Procedures (including required permits).
- c. Contractor's Quality Control Program.** The CMGC will prepare a Contractor's Quality Control Program Plan describing the procedures and responsibilities for inspection, testing, documentation, corrective actions, and coordination with SLDMWA and Reclamation for quality oversight during construction.
- d. Environmental Management and Monitoring Plan.** The CMGC will prepare an Environmental Management and Monitoring Plan describing how environmental commitments and permit conditions will be implemented during construction. The plan will identify required procedures, field responsibilities, inspection protocols, documentation requirements, and coordination with SLDMWA and Reclamation.
- e. Subcontracting Plan.** The CMGC will prepare a Subcontracting Plan describing the proposed approach to subcontracting, including identification of work to be self-performed, work proposed for subcontracting, competitive procurement procedures, subcontractor licensing verification, subcontractor coordination procedures, and in accordance with Item 9.

Assumptions.

1. This Item supports both Task 1 and Task 2; price once and allocate between Tasks in the same proportions used on the Fee Proposal form.
2. The titles, organization, and packaging of Construction Management Plans may be modified as necessary to conform to the Reclamation Submittals requirements set forth in the Contract Specifications. Any such adjustments will be for format and compliance purposes only and will not alter the technical intent or scope of the plans. All revisions to plan titles or packaging will be subject to SLDMWA review and approval.
3. SLDMWA and Reclamation will provide applicable specification sections, environmental permit requirements, and safety program requirements for reference during plan development.
4. These plans will be construction-ready prior to Task-specific Notice(s) to Proceed under the GMP Amendment(s).

Deliverables.

1. Draft and Final Construction Management Plan (PDF).
 2. Draft and Final Safety Program Plans (PDF).
 3. Draft and Final Contractor's Quality Control Program Plan (PDF).
 4. Draft and Final Environmental Management and Monitoring Plan (PDF).
- Draft and Final Subcontracting Plan (PDF).

5. ***Innovation Management:*** The CMGC will develop, propose, and track challenges and quantify benefits of innovations throughout the preconstruction phase, including proposing criteria to evaluate suggestions and select improvements that will offer the most value in terms of cost, schedule, and quality. The CMGC will prepare, modify, and maintain an innovation register, which identifies the person and entity that proposed the idea, the value of the idea (in terms of cost, savings, risk reduction/mitigation, and schedule impact), and which ideas were incorporated by the SLDMWA and Reclamation into the final design and construction documents.

Assumptions.

1. This Item supports both Task 1 and Task 2; price once and allocate between Tasks in the same proportions used on the Fee Proposal form.
2. A continuous process and no separate defined meeting is identified.

Deliverables.

1. Innovation register and updates in Excel and PDF format. Backup documentation in PDF format for each update.
2. Innovation Summary Report (PDF) with the GMP Proposal.

6. ***Constructability Review of Construction Documents:*** The CMGC will conduct constructability reviews and provide input related to constraints and limitations of various construction methods and equipment during the design development for Task 1 and Task 2, including but not limited to written review comments or redlines at specified design milestones (60 percent and 90 percent). The constructability review shall be completed by construction personnel experienced in construction techniques, construction sequencing, and construction means and methods expected to be employed on this Project. Review comments shall be specific and include details such as alternative solutions and potential cost savings related to construction.

Assumptions.

1. This item supports both Task 1 and Task 2; however, the CMGC shall propose this item as two separate fixed-fee amounts, one for Task 1 and one for Task 2, based on the CMGC's assessed level of effort.
2. Formal constructability reviews will be submitted at 60 percent design and 90 percent design for each Task 1 and Task 2. Actual design progress percent complete for formal constructability reviews to be adjusted as needed in coordination with SLDMWA and Reclamation.
3. CMGC will include two interim constructability reviews between milestones for both Task 1 and Task 2.

Deliverables.

1. Written Constructability Review Report summarizing findings, recommendations, and potential cost/schedule implications (PDF) for each formal constructability review.
2. Marked-up drawings and specifications highlighting suggested revisions (PDF).

3. Constructability Review Log and Updates showing comment status and resolution (Microsoft Excel and PDF).
7. ***Construction Schedule Development:*** The CMGC will create and update separate Construction Schedules for Task 1 and Task 2. The project team will work together to create a baseline construction schedule, which will be updated, at a minimum, at design milestones of 60 percent, 90 percent, and final design or as designated by the SLDMWA and for scope changes that necessitate changes in schedule.

The CMGC will provide a finalized construction schedule with its GMP for each Task, which will be part of the Construction Contract and adhered to by the CMGC for the duration of Construction.

The schedules will identify key milestones and Work Breakdown Structure (WBS) Item numbers in accordance with SLDMWA and Reclamation requirements, deliverables, and dependencies, along with durations for procurement, construction management, and construction work. The CMGC will also identify roles and responsibilities for each item of work represented in the schedule.

The Construction Schedule(s) will be developed in Primavera P6 for Windows or equal and be resource loaded. Resource loading will be reflective of the level of design completion for the Construction Schedule submittal milestone. The schedule will be accompanied by a narrative report prepared by the CMGC documenting key critical path elements of the schedule and the critical assumptions and/or decisions that may impact schedule adherence, including construction phasing or sequencing and long-lead items. The Construction Manager shall also include in the report any

Assumptions.

1. This item supports both Task 1 and Task 2; however, the CMGC shall propose this item as two separate fixed-fee amounts, one for Task 1 and one for Task 2, based on the CMGC's assessed level of effort.
2. Construction schedules will be resource loaded, reflective of the level of design development.

Deliverables.

1. Initial Construction Schedule for each Task 1 and Task 2, and schedule updates in P6 XER and PDF formats.
 2. Narrative Report and updates for each Task 1 and Task 2 in PDF format.
8. ***Construction Cost Estimate Development:*** The CMGC will prepare separate construction cost estimates Task 1 and Task 2. Cost estimates will be based on a project specific cost estimating template(s) prepared by the CMGC for review and approval by SLDMWA. The CMGC will perform its own quantity takeoffs and develop open-book, production-based estimates that identify quantities, production assumptions, crew compositions, equipment utilization, subcontractor and supplier

pricing, indirects, fee, contingency, allowances, and exclusions. Estimates will be coordinated with schedule logic, sequencing, access, and haul planning developed under Preconstruction Services. For each Task, the CMGC will provide estimate updates at 60% and 90% prior to GMP proposal submittal, with interim focused updates if requested by SLDMWA.

The CMGC will prepare a Basis of Estimate Report to accompany each 60 percent and 90 percent cost estimate submittal, documenting the assumptions, clarifications, quantities, production rates, labor and equipment basis, subcontracting structure, indirect cost treatment, contingency rationale, and any allowances or exclusions included in the pricing.

Assumptions.

1. This item supports both Task 1 and Task 2; however, the CMGC shall propose this item as two separate fixed-fee amounts, one for Task 1 and one for Task 2, based on the CMGC's assessed level of effort.
2. Milestone Cost Estimates will be submitted at 60 percent design and 90 percent design for each Task 1 and Task 2.
3. CMGC will include two interim cost estimate updates between milestones for both Task 1 and Task 2.
4. Estimates will be open-book; SLDMWA may review supporting takeoffs, production rates, crew/equipment rates, material quotes, subcontractor quotes, indirects, and contingency basis.
5. The CMGC will perform and own quantity takeoffs and methods of measurement; bid item pricing will be consistent with takeoffs, measurement basis, and schedule logic.
6. Estimate preparation software may be the CMGC's standard system, subject to SLDMWA approval; exports must include PDF for review and a machine-readable file (e.g., CSV or native system export) that preserves item structure, quantities, and unit pricing.
7. Estimates will be in accordance with AACEI class designations consistent with level of design completion.

Deliverables.

1. Cost Estimate Template (Draft and Final) in the CMGC's approved system, with PDF and machine-readable export.
 2. Construction Cost Estimates for each Task at 60 percent and 90 percent.
 3. Cost Basis Narrative (PDF) summarizing assumptions, takeoff basis, production rates, indirects, fee, contingency treatment, allowances, and exclusions.
 4. Change Log (PDF or machine-readable) tracking additive/deductive changes between submissions with the reason for each change.
9. ***Development of Guaranteed Maximum Price (GMP):*** The CMGC will develop its proposed GMP Proposals for Construction of Task 1 and Task 2. GMP development will include, as applicable, negotiation of scopes and budgets with key participants,

competitive bidding, and/or best-value proposals from potential subcontractors. The CMGC will utilize an open book approach to develop the GMP Proposal, providing SLDMWA with full access to all the details that make up the final GMP Proposal.

- a. **Subcontracting.** CMGC will incorporate subcontracting requirements in GMP development. The CMGC will develop a Subcontracting Plan (Item 4, Construction Management Plans) to ensure subcontractor engagement, documentation, and compliance. The GMP proposal must demonstrate that subcontracting was performed in accordance with these requirements and the approved Subcontracting Plan.
- i. CMGC shall seek to develop subcontractor interest in the Project and shall collaborate with SLDMWA to develop a list of possible subcontractors, including suppliers, from whom bids will be requested for each principal portion of the work;
 - ii. CMGC shall prepare bid packages for the complete scope of work for all trades that will be subcontracted, other than those for which a subcontractor or supplier was listed in CMGC's Proposal, and CMGC shall specify how it will verify that the price of any subcontractor listed in CMGC's Proposal and any scope of work identified in the Proposal to be performed by CMGC is fair and reasonable;
 - iii. CMGC shall provide public notice (under SLDMWA's public works notice procedures) of availability of work to be subcontracted, including a fixed date and time on which qualifications statements, bids, or proposals will be due. CMGC will submit a copy of the bid advertisement and any addenda affecting the bid date to SLDMWA;
 - iv. CMGC shall establish reasonable qualification and selection criteria and standards, and CMGC shall state such criteria in its solicitation documents;
 - v. CMGC shall require all potential subcontractors, truckers, and any suppliers and/or vendors subject to California's prevailing wage laws to be registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 at the time of bidding;
 - vi. For any scope of work of less than one-half of one percent of the price of construction of the Task or Tasks for which the subcontractor is to be selected, CMGC shall specify how it will select the subcontractor;
 - vii. CMGC shall specify how it will determine that the subcontractor or supplier has the financial resources, qualifications, and experience to complete the work for which it is proposed;
 - viii. CMGC shall propose award of subcontracts in accordance with the following competitive selection processes:
 - (a) For work that is less than one-half of one percent of the construction price for the Task or Tasks for which the

subcontractor is selected, comply with the approved selection process.

- (b) For work that has a value equal to or greater than one-half of one percent of the construction price for the Task or Tasks for which the subcontractor is selected, the competitive sub-bid selection process (i) will require advertisement in accordance with that required of SLDMWA, fixing a date on which qualifications, bids, or proposals are due; (ii) will establish the standards for evaluation and selection of the successful subcontractor.
 - (c) The CMGC shall provide SLDMWA with a copy of the bid advertisement(s) and subsequent addenda. Subcontractors awarded construction subcontracts under this process shall be afforded all protections of the Subletting and Subcontracting Fair Practices Act, commencing with Section 4100 of the California Public Contract Code.
- ix. SLDMWA shall have the right to review the proposed subcontractors and to object to or reject any proposed subcontractor or supplier;
 - x. For any work not required to be bid, CMGC shall provide a detailed estimate of the cost of the work, including documentation sufficient to support that the price is reasonable;
 - xi. CMGC shall propose a GMP for the Task(s) bid, which shall be the sum of the i) general conditions cost as bid, ii) the cost of any actual construction work performed by CMGC's own forces, iii) the cost of all subcontract and supplier amounts, iv) CMGC's fee, as bid, v) costs of bonds and insurance, and vi) contingencies and allowances, if any.
- b. CMGC will submit details supporting estimates for self-performed construction Work (labor, materials, equipment, production rates), including labor classification and hours (including overtime and night shift).
 - c. CMGC shall develop a final price proposal to include the written rationale for the price and objectively verifiable documentation of its costs to perform the construction work of the Task(s). The documentation shall include:
 - i. A written evaluation for each of the portions of work, including a summary of the bids received, the actual bid proposals, and identifying the subcontract bidder(s) that CMGC recommends;
 - ii. A list of the drawings and specifications, including all addenda, which were used in preparation of the price proposal;
 - iii. The proposed GMP, including a statement of the estimated cost and a schedule of values organized by trade categories;

- iv. A list of the clarifications and assumptions made by CMGC in preparing the final proposed GMP to supplement the information contained in the drawings and specifications;
 - v. The date of commencement and the date of completion upon which the proposed GMP is based;
 - vi. A list of allowances and a statement of their basis; and
 - vii. A detailed cost breakdown of all general conditions and jobsite management expenses included in the GMP.
- d. CMGC shall meet with SLDMWA to review the final price proposal, proposed GMP, and the written statement of its basis. If SLDMWA discovers any inconsistencies or inaccuracies in the information presented, it shall promptly notify CMGC, who shall make appropriate adjustments to the documentation.
 - e. CMGC shall be present at the Board meeting at which the GMP is proposed for approval and be available to answer any Board questions regarding the GMP. The cost of any revisions to the proposed GMP or supporting documentation or analysis required by the Board as a condition of approval of any Task is included in Preconstruction Services. Once established, the GMP is the fixed price for construction, subject to adjustment only as allowed in Contract Documents.

Assumptions.

- 1. This item supports both Task 1 and Task 2; however, the CMGC shall propose this item as two separate fixed-fee amounts, one for Task 1 and one for Task 2, based on the CMGC's assessed level of effort.
- 2. GMP development includes CMGC implementation of Subcontracting Plan.

Deliverables.

- 1. Draft and Final GMP Proposals for each Task 1 and Task 2 in PDF format.

C. Term, Progress and Completion:

Time is of the essence. Preconstruction services shall be performed in accordance with RFP CRITICAL DATES.

D. Compensation:

Compensation will be based on the Fixed Fee by Item and by Task in accordance with RFP Exhibit E: Fee Proposal Form.

EXHIBIT E

WORKERS' COMPENSATION INSURANCE CERTIFICATION (To be Submitted with Construction Agreement)

TO THE SAN LUIS & DELTA-MENDOTA WATER AUTHORITY:

The undersigned does hereby certify that it is aware of the provisions of Section 3700 et seq. of the Labor Code which require every employer to be insured against liability for Workmen's compensation or to undertake self-insurance in accordance with the provisions of said Code, and that it will comply with such provisions before commencing the performance of work on this Contract.

Name of CMGC

By: _____

Title: _____

Address: _____

Date: _____

PLEASE READ CAREFULLY BEFORE SIGNING

To be signed by authorized corporate officer or partner or individual. If the CMGC is: (example)

1. An individual using a firm name, sign "John Doe, an individual doing business as "Blank Company."
2. An individual doing business under its own name, sign: your name only.
3. A co-partnership, sign "John Doe, and Richard Doe, co-partners doing business as Blank Company, by John Doe, Co-Partner."
4. A corporation or limited liability company, sign: "Blank Company, by John Doe, Secretary." (or other title)
5. A joint venture, sign: "Blank Joint Venture, by John Doe, Managing Principal."

EXHIBIT F

ESCROW AGREEMENT FOR SECURITY DEPOSITS IN LIEU OF RETENTION (OPTIONAL)

This Escrow Agreement is made and entered into by and between San Luis & Delta-Mendota Water Authority whose address is 15590 Kelso Road, Byron CA 94514-9614 hereinafter called Owner,

_____ whose address is _____
hereinafter called CMGC, and _____ whose address is _____
_____ hereinafter called Escrow Agent.

For the consideration hereinafter set forth, the Owner, CMGC, and Escrow Agent agree as follows:

1. Pursuant to Section 22300 of the Public Contract Code of the State of California, CMGC has the option to deposit securities with Escrow Agent as a substitute for retention earnings required to be withheld by Owner pursuant to the Construction Contract entered into between the Owner and CMGC for (in the amount of) _____ dated _____ (hereinafter referred to as the "Contract"). Alternatively, on written request of the CMGC, the Owner shall make payments of the retention earnings directly to the escrow agent. When the CMGC deposits the securities as a substitute for Contract earnings, the Escrow Agent shall notify the Owner within ten (10) days of the deposit. The market value of the securities at the time of the substitution shall be at least equal to the cash amount then required to be withheld as retention under the terms of the Contract between the Owner and CMGC. Securities shall be held in the name of _____ and shall designate the CMGC as the beneficial owner.
2. The Owner shall make progress payments to the CMGC for those funds which otherwise would be withheld from progress payments pursuant to the Contract provisions, provided that the Escrow Agent holds securities in the form and amount specified above.
3. When the Owner makes payment of retentions earned directly to the Escrow Agent, the Escrow Agent shall hold them for the benefit of the CMGC until the time that the escrow created under this contract is terminated. The CMGC may direct the investment of the payments into securities. All terms and conditions of this agreement and the rights and responsibilities of the parties shall be equally applicable and binding when the Owner pays the Escrow Agent directly.
4. CMGC shall be responsible for paying all fees for the expenses incurred by Escrow Agent in administering the Escrow Account and all expenses of the Owner. These expenses and payment terms shall be determined by the Owner, CMGC, and Escrow Agent.
5. The interest earned on the securities or the money market accounts held in escrow and all interest earned on that interest shall be for the sole account of the CMGC and shall be subject to withdrawal by CMGC at any time and from time to time without notice to the Owner.
6. CMGC shall have the right to withdraw all or any part of the principal in the Escrow Account only by written notice to Escrow Agent accompanied by written authorization from the Owner to the Escrow Agent that Owner consents to the withdrawal of the amount sought to be withdrawn by CMGC.
7. The Owner shall have a right to draw upon the securities in the event of default by the CMGC. Upon seven days' written notice to the Escrow Agent from the owner of the default, the Escrow Agent shall immediately convert the securities to cash and shall distribute the cash as instructed by the Owner.

8. Upon receipt of written notification from the Owner certifying that the Contract is final and complete, and that the CMGC has complied with all requirements and procedures applicable to the Contract, Escrow Agent shall release to CMGC all securities and interest on deposit less escrow fees and charges of the Escrow Account. The escrow shall be closed immediately upon disbursement of all moneys and securities and payments of fees and charges.
9. Escrow Agent shall rely on the written notifications from the Owner and the CMGC pursuant to Sections (5) to (8), inclusive, of this agreement and the Owner and CMGC shall hold Escrow Agent harmless from Escrow Agent's release and disbursement of the securities and interest as set forth above.
10. The names of the persons who are authorized to give written notice or to receive written notice on behalf of the Owner and on behalf of CMGC in connection with the foregoing, and exemplars of their respective signatures are as follows:

On behalf of Owner:

Title

Name

Signature

Address

On behalf of CMGC:

Title

Name

Signature

Address

On behalf of Escrow Agent:

Title

Name

Signature

Address

At the time the Escrow Account is opened, the Owner and CMGC shall deliver to the Escrow Agent a fully executed counterpart of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement by their proper officers on the date first set forth above.

Owner:

Title

Name

Signature

CMGC:

Title

Name

Signature

DRAFT

EXHIBIT G-1

PERFORMANCE BOND

BOND NO.: _____

PREMIUM: _____

San Luis & Delta-Mendota Water Authority

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, the SAN LUIS & DELTA-MENDOTA WATER AUTHORITY (hereinafter referred to as "SLDMWA") has awarded to _____ (hereinafter designated as the "Principal") a contract for _____ (hereinafter referred to as the "Project").

WHEREAS, the work to be performed by Principal is more particularly set forth in the Contract Documents for the Project dated _____, (hereinafter referred to as "Contract Documents"), the terms and conditions of which are expressly incorporated herein by reference; and

WHEREAS, said Principal is required by said Contract Documents to perform the terms thereof and to furnish a bond for the faithful performance of said Contract Documents.

NOW, THEREFORE, we, the undersigned Principal and

_____ as Surety, a corporation organized and duly authorized to transact business under the laws of the State of California, are held and firmly bound unto the SLDMWA in the sum of _____ DOLLARS, (\$ _____), said sum being not less than one hundred percent (100%) of the total amount of the Contract, for which amount well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that, if said Principal, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and agreements in the Contract Documents and any alteration thereof made as therein provided, on its part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their intent and meaning; and shall faithfully fulfill all obligations including the one-year guarantee of all materials and workmanship; and shall indemnify and save harmless the SLDMWA, its officers and agents, as stipulated in said Contract Documents, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As a part of the obligation secured hereby and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees including reasonable attorneys' fees, incurred by SLDMWA in enforcing such obligation.

The obligations of Surety hereunder shall continue so long as any obligation of Principal remains. Nothing herein shall limit the SLDMWA's rights or Principal's or Surety's obligations under the Contract, law or equity, including, but not limited to, California Code of Civil Procedure section 337.15.

Whenever Principal shall be, and is declared by the SLDMWA to be, in default under the Contract Documents, the Surety shall remedy the default pursuant to the Contract Documents, or shall promptly:

(1) Take over and complete the Project in accordance with all terms and conditions in the Contract Documents; or

(2) Obtain a Proposal or Proposals for completing the Project in accordance with all terms and conditions in the Contract Documents and upon determination by Surety of the lowest responsive and responsible Proposer, arrange for a Contract between such Proposer, the Surety and the SLDMWA, and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Principal by the SLDMWA under the Contract and any modification thereto, less any amount previously paid by the SLDMWA to Principal and any other set offs pursuant to the Contract Documents; or

(3) Permit the SLDMWA to complete the Project in any manner consistent with California law and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Principal by the SLDMWA under the Contract and any modification thereto, less any amount previously paid by the SLDMWA to Principal and any other set offs pursuant to the Contract Documents.

Surety expressly agrees that the SLDMWA may reasonably reject any construction manager/general contractor, contractor or subcontractor which may be proposed by Surety in fulfillment of its obligations in the event of default by Principal. Surety shall not utilize Principal in completing the Project nor shall Surety accept a Proposal from Principal for completion of the Project if the SLDMWA, when declaring Principal in default, notifies Surety of the SLDMWA's objection to Principal's further participation in the completion of the Project.

Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project to be performed there under shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, 20__, then names and corporate seals of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to the authority of its governing body.

Principal: _____

By: _____

Surety: _____

Address: _____

Telephone: _____

Attorney in Fact: _____

(Bond Continues on Next Page)

DRAFT

(Attach Attorney-In-Fact Certificate, Corporate Seal and Surety Seal. This bond must be accompanied by a current Power of Attorney Appointing the Attorney-in-Fact)

NOTICE:

A CERTIFICATE OF ACKNOWLEDGMENT IN ACCORDANCE WITH THE PROVISIONS OF CIVIL CODE SECTION 1189 MUST BE ATTACHED FOR EACH PERSON EXECUTING THIS AGREEMENT ON BEHALF OF PRINCIPAL AND SURETY.

DRAFT

EXHIBIT G-1
PERFORMANCE BOND
GMP RIDER

BOND NO.: _____

PREMIUM: _____

San Luis & Delta-Mendota Water Authority

This Rider shall be attached to and form a part of Bond No. _____.

WHEREAS, on or about _February 9, 2026, Kiewit Infrastructure West Co., a Delaware corporation and authorized to do business in the State of California (“Principal”), entered into the Construction Manager/General Contractor Agreement for Delta-Mendota Canal Subsidence Correction Project – Phase 1, (as amended from time to time, “Agreement”) with the San Luis & Delta Mendota Water Authority (“SLDMWA”), a California Joint Powers Agency;

WHEREAS, initially capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement;

WHEREAS, the SLDMWA requires that Principal provide a performance bond for each Task; and

WHEREAS, Principal and _____ (“Surety” or “Co-Sureties”) have agreed to execute and deliver this Rider to the Performance Bond as a condition precedent to the Task ☐ GMP Amendment on the terms and conditions herein stated.

NOW, THEREFORE, Principal and Surety (or Co-Sureties) are held and firmly bound unto the SLDMWA in the sum of \$ _____ **[100% of the Contract Amount, including the aggregate of all GMPs approved under any GMP Amendment]** (“Task ☐ Bonded Sum”), for payment of which sum Principal and Surety jointly and severally firmly bind themselves and their successors and assigns.

The following terms and conditions shall apply with respect to this Rider:

1. It is understood and agreed that nothing contained in this Rider shall be held to change, alter or vary the terms of the attached Performance Bond except as set forth in this Rider. In the event of a conflict between the Performance Bond and this Rider, this Rider shall govern and control. All references to the Performance Bond, either in the Performance Bond or in this Rider, shall include and refer to the Performance Bond as supplemented and amended by this Rider. Except as herein modified, the Performance Bond shall be and remains in full force and effect.
2. The Rider may be executed in two or more counterparts, each of which shall be deemed to be an original, but which together shall constitute one and same instrument.

Principal: _____

By: _____

Surety: _____

Address: _____

Telephone: _____

Attorney in Fact: _____

DRAFT

(Bond Continues on Next Page)

DRAFT

(Attach Attorney-In-Fact Certificate, Corporate Seal and Surety Seal. This bond must be accompanied by a current Power of Attorney Appointing the Attorney-in-Fact)

NOTICE:

A CERTIFICATE OF ACKNOWLEDGMENT IN ACCORDANCE WITH THE PROVISIONS OF CIVIL CODE SECTION 1189 MUST BE ATTACHED FOR EACH PERSON EXECUTING THIS AGREEMENT ON BEHALF OF PRINCIPAL AND SURETY.

DRAFT

PAYMENT BOND

BOND NO.: _____

PREMIUM: _____

San Luis & Delta-Mendota Water Authority

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, the SAN LUIS & DELTA-MENDOTA WATER AUTHORITY (hereinafter referred to as "SLDMWA") has awarded to _____ (hereinafter designated as "Principal") an agreement for _____ (hereinafter referred to as the "Project").

WHEREAS, the work to be performed by Principal is more particularly set forth in the Contract Documents for the Project dated _____, (hereinafter referred to as the "Contract"), the terms and conditions of which are expressly incorporated herein by reference; and

WHEREAS, said Principal is required to furnish a bond in connection with said Contract providing that if Principal or any of its subcontractors shall fail to pay for any materials, provisions, or other supplies, or terms used in, upon, for or about the performance of the Work contracted to be done, or for any work or labor done thereon of any kind the Surety on this bond will pay the same together with a reasonable attorney's fee in case suit is brought on the bond.

NOW, THEREFORE, we, the undersigned Principal and _____ as Surety, a corporation organized and duly authorized to transact business under the laws of the State of California, are held and firmly bound unto the SLDMWA in the sum of _____ DOLLARS, (\$ _____), said sum being not less than one hundred percent (100%) of the total amount of the Contract, for which amount well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if the Principal, his or its subcontractors, heirs, executors, administrators, successors, or assigns, shall fail to pay for any materials, provisions, or other supplies or machinery used in, upon, for or about the performance of the Work contracted to be done, or for work or labor thereon of any kind, or fail to pay any of the persons named in California Civil Code Section 9100, or amounts due under the Unemployment Insurance Code with respect to work or labor performed by any such claimant, or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of Principal and his subcontractors pursuant to Section 13020 of the Unemployment Insurance Code with respect to such work and labor, and all other applicable laws of the State of California and rules and regulations of its agencies, then said Surety will pay the same in or to an amount not exceeding the sum specified herein. In case legal action is required to enforce the provisions of this bond, the prevailing party shall be entitled to recover reasonable attorneys' fees in addition to court costs, necessary disbursements and other consequential damages. In addition to the provisions hereinabove, it is agreed that this bond will inure to the benefit of any and all persons, companies and corporations entitled to make claims under Section 9100 of the California Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

The said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or additions to the terms of the said Contract or to the work to be performed thereunder or the specification accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract or to the work or to the specifications.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, 20__, then names and corporate seals of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to the authority of its governing body.

Principal: _____

By: _____

Surety: _____

Address: _____

Telephone: _____

Attorney in Fact: _____

(Attach Attorney-In-Fact Certificate, Corporate Seal and Surety Seal. This bond must be accompanied by a current Power of Attorney Appointing the Attorney-in-Fact)

NOTICE:

A CERTIFICATE OF ACKNOWLEDGMENT IN ACCORDANCE WITH THE PROVISIONS OF CIVIL CODE SECTION 1189 MUST BE ATTACHED FOR EACH PERSON EXECUTING THIS AGREEMENT ON BEHALF OF PRINCIPAL AND SURETY.

This Rider to be attached to and form part of

Bond No.: _____

Type of
Bond: _____
the "Payment Bond"

dated
effective _____
(Month – Day – Year)

as "Principal"

and by _____, as "Surety"

in favor of SAN LUIS & DELTA-MENDOTA WATER AUTHORITY, as the primary obligee.

In consideration of the mutual agreements herein contained Principal and the Surety hereby consent to the following:

**The bonded sum of the Payment Bond is hereby increased to the amount of \$ [100%
of the Contract Amount, including the aggregate of all GMPs approved under any GMP
Amendment].**

This rider is
effective _____
(Month – Day – Year)

[Signatures Follow]

Nothing herein contained shall vary, alter or extend any provision or condition of the Payment Bond except as herein expressly stated.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, 20__, then names and corporate seals of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to the authority of its governing body.

Principal: _____

By: _____

Surety: _____

Address: _____

Telephone: _____

Attorney in Fact: _____

(Attach Attorney-In-Fact Certificate, Corporate Seal and Surety Seal. This bond must be accompanied by a current Power of Attorney Appointing the Attorney-in-Fact)

NOTICE:

A CERTIFICATE OF ACKNOWLEDGMENT IN ACCORDANCE WITH THE PROVISIONS OF CIVIL CODE SECTION 1189 MUST BE ATTACHED FOR EACH PERSON EXECUTING THIS AGREEMENT ON BEHALF OF PRINCIPAL AND SURETY.

DRAFT

EXHIBIT H

GUARANTEE FORM

**{Print on CMGC/Subcontractor Letterhead
And Submit at Close-Out}**

_____, {CMGC's Name} hereby unconditionally guarantees that the Work performed at _____ [insert Project] has been done in accordance with the requirements of the Contract therefor and further guarantees the Work of the Contract to be and remain free of defects in workmanship and materials for a period of one (1) year from and after SLDMWA acceptance of the Work, in accordance with the General Conditions, unless a longer guarantee period is called for by the Contract Documents, in which case the terms of the longer guarantee shall govern. The CMGC hereby agrees to repair or replace any and all Work, together with any adjacent Work which may have been damaged or displaced in so doing, that may prove to be not in accordance with the requirements of the Contract or that may be defective in its workmanship or materials within the guarantee period specified, without any expense whatsoever to SLDMWA, ordinary wear and tear and unusual abuse and neglect only excepted. The CMGC has provided contract bonds, which will remain in full force and effect during the guarantee period.

The CMGC further agrees that within ten (10) calendar days after being notified in writing by SLDMWA of any Work not in accordance with the requirements of the contract or any defects in the Work, it will commence and prosecute with due diligence all Work necessary to fulfill the terms of this guarantee, and to complete the Work within a period of time stipulated in writing. In the event it fails to so comply, CMGC does hereby authorize SLDMWA to proceed to have such Work done at the CMGC's expense and it will pay the cost thereof upon demand. SLDMWA shall be entitled to all costs, including reasonable attorneys' fees, necessarily incurred upon the CMGC's refusal to pay the above costs.

The guarantee period for corrected defective work shall continue for a duration equivalent to the original guarantee period.

Notwithstanding the foregoing paragraph, in the event of an emergency constituting an immediate hazard to the health or safety of the employees of SLDMWA, or its property or licensees, SLDMWA may undertake at the CMGC's expense without prior notice, all Work necessary to correct such hazardous condition when it was caused by the Work of the CMGC not being in accordance with the requirements of this contract, or being defective, and to charge the same to the CMGC as specified in the preceding paragraph.

The guarantee set forth herein is not intended by the parties, nor shall it be construed, as in any way limiting or reducing SLDMWA's rights to enforce all terms of the Contract referenced hereinabove or the time for enforcement thereof. This guarantee is provided in addition to, and not in lieu of, SLDMWA's rights on such contract.

CMGC'S SIGNATURE _____

PRINT NAME _____

EXHIBIT I

GMP Amendment 1 – Task 1 Construction Services

The following documents are included as separate attachments to this Exhibit I:

1. Attachment 1 – 75% Technical Specifications
2. Attachment 2 – 75% Drawings
3. Attachment 3 - 100% Design USBR Specifications and Drawings Memo dated 5/18/2026
4. Attachment 4 – 100% Technical Specifications
5. Attachment 5 – 100% Drawings
6. Attachment 6 – 100% Written Specifications Signature Sheet
7. Attachment 7 - Task 1 Construction Schedule
8. Attachment 8 - Basis of Estimate
9. Attachment 9 - Assumptions & Clarifications
10. Attachment 10 - Risk Register
11. Attachment 11 - Estimate Export – CBS Summary, Details, Comparison
12. Attachment 12 - Resource Utilization

This space is intentionally left blank.

GMP Amendment 1 – Task 1 Construction Services is based on the 75% Technical Specifications and Drawings, included as Attachment(s) 1 and 2 at the time of preparing the Amendment 1. However, Contractor's performance will be based on the 100% design documents, included as Attachment(s) 3-12. Any changes to the GMP will be addressed through a Change Order in accordance with the Contract Documents."

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY

RESOLUTION NO. 2026-

**RESOLUTION AUTHORIZING EXECUTION OF AMENDED AND RESTATED
CONSTRUCTION MANAGER/GENERAL CONTRACTOR AGREEMENT FOR
PHASE I OF THE DELTA-MENDOTA CANAL SUBSIDENCE CORRECTION
PROJECT AND RELATED EXPENDITURE OF \$37.5 MILLION**

WHEREAS, the San Luis & Delta-Mendota Water Authority (“**Water Authority**”) is a transferred works operator responsible for the operation, maintenance, and replacement (“**OM&R**”) of certain Central Valley Project (“**CVP**”) facilities, including the Delta-Mendota Canal (“**DMC**”); and

WHEREAS, the Water Authority and the U.S. Bureau of Reclamation (“**Reclamation**”) have been pursuing the Delta-Mendota Canal Subsidence Correction Project (“**DMC Subsidence Correction Project**” or “**Project**”) to restore the original design conveyance capacity of the DMC by raising the canal lining and embankments, as well as other structures such as bridges, overchutes, and pipe crossings, to ensure the DMC can meet the needs of the communities and ecosystems reliant upon it; and

WHEREAS, the Water Authority and Reclamation completed environmental compliance for the Project through preparation of a joint National Environmental Policy Act (“**NEPA**”)/California Environmental Quality Act (“**CEQA**”) document, a joint Environmental Assessment/ Initial Study/Mitigated Negative Declaration; and

WHEREAS, in February 2026, via Resolution No. 2026-555, the Water Authority’s Board of Directors (“**Board**”) adopted the Mitigated Negative Declaration for the Project, including CEQA Findings of Fact, and a Mitigation Monitoring Reporting Plan (“**MMRP**”) to require that all reasonably feasible mitigation measures be implemented by means of Project conditions, agreements, or other measures, as set forth in the MMRP; and

WHEREAS, Section 4.10(g) of the Water Authority’s Consolidated Procurement Policy, adopted by Resolution No. 2025-547, requires the Board of Directors (“**Board**”) to specifically authorize award of CMGC agreements; and

WHEREAS, following formal solicitation for proposals to provide all labor, equipment, and services for CMGC Services for the DMC Subsidence Correction project Phase 1 – Tasks 1-4, via Resolution No. 2026-556, the Water Authority authorized award and execution of a CMGC Agreement with Kiewit Corporation (“**Kiewit**”), for preconstruction work associated with tasks 1 and 2, with the guaranteed maximum price (“**GMP**”) for construction of Task 1 to be developed during preconstruction services; and

WHEREAS, following contract award, staff worked with Kiewit to complete preconstruction services for Task 1 and to develop a GMP for Task 1 for the construction phase of the Project, and to renegotiate and amended specific terms of the executed CMGC Agreement; and

WHEREAS, in light of construction complications such as high embankments, limited borrow material in the vicinity, low clearance power lines, ingress and egress difficulties, contractor's increased safety measures, and environmental constraints, the GMP for Task 1 is \$37.5 million, the expenditure of which will be funded utilizing existing FY2023 and FY2024 EO&M Budget funds as well as the Advanced Funds provided by Westlands Water District, and then reimbursed by the California Department of Water Resources and federal One Big Beautiful Bill Act grant funds; and

WHEREAS, based on the adopted Mitigated Negative Declaration ("MND"), CEQA Findings of Fact, and MMRP, and in light of the record of proceedings as a whole, the Water Authority determined that implementation of Phase I of the DMC subsidence correction project, as mitigated, would not have a significant impact on the environment; and

WHEREAS, Water Authority staff recommends that the Board authorize execution of an amended and restated CMGC Agreement with Kiewit Corporation.

NOW, THEREFORE, BE IT RESOLVED, AS FOLLOWS, THAT:

Section 1. The facts stated in the recitals above are true and correct, and the Board so finds and determines.

Section 2. Based on the above Recitals, the Board hereby finds that Kiewit Corporation is qualified to complete Phase 1 of the DMC Subsidence Correction Project.

Section 3. The Executive Director, for and on behalf of the Water Authority, is hereby authorized and directed to award and execute an amended and restated CMGC Agreement with Kiewit Corporation for services on substantially the terms discussed with the Board, as well as to take such actions as may be required or authorized by this Board to effectuate that agreement, subject to the condition that the mitigation measures specified in the adopted MMRP shall be carried out as applicable in conjunction with implementation of Phase 1, Task 1.

PASSED, APPROVED AND ADOPTED this 4th day of June, 2026, by the Board of Directors of the San Luis & Delta-Mendota Water Authority.

Cannon Michael, Chair
San Luis & Delta-Mendota Water Authority

Attest:

Federico Barajas, Secretary

I hereby certify that the foregoing Resolution No. 2026- was duly and regularly adopted by the Board of Directors of the San Luis & Delta-Mendota Water Authority at the meeting thereof held on the 4th day of June, 2026.

Federico Barajas, Secretary



Official Memorandum

PO Box 2157
Los Baños, CA 93635
sldmwa.org

To: SLDMWA Board of Directors, Alternates
SLDMWA Finance & Administration Committee, Alternates

From: Pablo Arroyave, Chief Operating Officer
Jaime McNeil, Engineering Director

Date: June 1, 2026

RE: Authorization to Execute Construction Support Services Task Order with CDM Smith, Inc. and
Related Increase in Expenditure of Up to \$4,538,061

Background

The Delta-Mendota Canal (DMC) Subsidence Correction Project (“Subsidence Correction Project” or “Project”) includes restoring the original design conveyance capacity of the DMC by raising the canal lining and embankments, as well as other structures such as bridges, overchutes, and pipe crossings. The DMC is one of the major components of the Delta Division of the U.S. Bureau of Reclamation’s (Reclamation) Central Valley Project (CVP), and is considered critical infrastructure. The San Luis & Delta-Mendota Water Authority (Authority) and Reclamation are committed to restoring the original capacity to ensure the DMC can meet the needs of the communities and ecosystems reliant upon it.

On February 25th, 2026, the Authority executed a Task Order-based Professional Services Agreement with CDM Smith, Inc. (CDM) and issued Task Order 1 in the amount of \$1,827,452 for DMC Subsidence Phase 1, Tasks 1 and 2, Preconstruction Support Services, which was approved in the FY27 Budget Resolution. Since then, CDM has been working closely with the Authority, Reclamation, and Kiewit during the preconstruction phase of Task 1. Authority staff is presenting the negotiated Guaranteed Maximum Price to Committee and Board members this month and recommending award of the Amended and Restated CMGC agreement (Agreement) with Kiewit. If the Board of Directors authorizes execution of the Agreement, the Authority will be required to perform Construction Management and Environmental Monitoring to support the construction activities. CDM is well qualified to provide these services to the Water Authority.

Issue for Decision

Whether the Finance & Administration Committee should recommend, and the Board of Directors should authorize, execution of Construction Support Services Task Order with CDM Smith, Inc. and related increase in expenditure of up to \$4,538,061.

Recommendation

Staff recommends authorizing the proposed Task Order and related increase in expenditure.

Analysis

Authorizing execution of the proposed Task Order would allow CDM Smith to provide Owner's Advisor/Construction Management and environmental monitoring support for Phase 1 - Task 1 of the Project. CDM would supplement Authority staff by providing field-level construction management, environmental monitoring, schedule and cost review, change management support, and quality assurance (QA) oversight, including coordinated field lab testing with Reclamation during construction.

CDM Smith has established a Construction Management Plan (CMP) and Quality Assurance Plan (QAP) as a framework for providing independent oversight, contract administration, and field-based quality assurance for the Project. The plans are intended to complement the contractor's own quality control program and define the procedures and organizational roles necessary to ensure that construction is delivered safely, on schedule, and in compliance with all contracts, environmental, and regulatory requirements.

As the construction manager and QA authority in the field, the CMP and QAP outline extensive coordination with Reclamation throughout the project. With Reclamation's Technical Service Center as the Engineer of Record, CDM would route technical submittals from the contractor to Reclamation staff for review and support design clarifications. CDM would coordinate its primary QA responsibilities with Reclamation, which would maintain a limited role in QA oversight. This includes coordinating field testing and laboratory services with Reclamation. The overarching goal of the QA oversight is to ensure the canal modifications meet Reclamation standards. Upon substantial completion, CDM would collaborate with Reclamation to develop and manage the completion of the project punchlist. Ultimately, the Final QA Report provided to Reclamation will include a formal certification that the project was constructed in accordance with Reclamation specifications and approved designs.

Budget Implications

The additional proposed expenditure of up to \$4,538,061 would be funded utilizing existing FY2023 and FY2024 EO&M Funds as well as the Advanced Funds provided by Westlands Water District, and then reimbursed by the DWR and OBBBA grant funds.

Attachment

Draft Task Order 2-FY27 for DMC Subsidence Phase 1 – Task 1 Construction Support Services with CDM Smith, Inc.

TASK ORDER 2 – FY27

DMC SUBSIDENCE PHASE 1 – TASK 1 CONSTRUCTION SUPPORT SERVICES

Detailed Scope of Work

The Scope of Services to be performed under this task order includes support services for the Delta-Mendota Canal Subsidence Correction Project (Subsidence Project), including but not limited to the following sub-tasks:

- 1) Item 1: Project Management
- 2) Item 2: Construction Environmental Monitoring
- 3) Item 3: Construction Management

SEE TASK ORDER 2 SCOPE OF SERVICES & COST SUMMARY ALLOCATIONS
PROVIDED UNDER ATTACHMENT 1

Budget Maximum: \$4,538,061.00

Estimate of Time Schedule: Upon Task Order execution through February 28, 2027

SLDMWA Project Lead: Jacob Bejarano; jacob.bejarano@sldmwa.org

Consultant Project Lead: Chris Park; parkce@cdmsmith.com

Special Instructions: Task Order 2 is subject to applicable terms and conditions set forth between the State of California (Department of Water Resources) and San Luis & Delta-Mendota Water Authority; Agreement No. 4600014564, attached herein as Attachment 2.

Accepted:

<u>San Luis & Delta-Mendota Water Authority</u>	<u>Consultant</u>
By: _____ Pablo R. Arroyave San Luis & Delta-Mendota Water Authority	By: _____ Servando Molina CDM Smith Inc.
Date: _____	Date: _____



TASK ORDER 2 - FY27: ATTACHMENT 1

May 27, 2026

Jacob Bejarano
San Luis & Delta-Mendota Water Authority

Subject: DMC Subsidence Correction Project – Proposed Scope and Budget for Task 1 Construction Management and Environmental Monitoring Support

Dear Jacob:

This memorandum presents a proposed scope of work and budget to support the San Luis & Delta-Mendota Water Authority's (Authority) implementation of construction activities for Task 1 of Phase 1 of the Delta-Mendota Canal (DMC) Subsidence Correction Project. This work will be completed through a new Task Order issued under the new Master Service Agreement issued by the Authority to CDM Smith for support of the Authority's work with the construction manager/general contractor (CM/GC) Kiewit Corporation. For this new Task Order, CDM Smith will serve as an Owners Advisor/Construction Manager. Support activities will also include environmental monitoring work required during the construction period.

Scope of Work

Task 1: Project Management

CDM Smith will participate in regularly scheduled one-hour meetings with the Authority and Reclamation staff on a weekly basis. Meetings may be conducted in hybrid format where meetings alternate between in-person and virtual. CDM Smith will develop a health and safety plan detailing the safety procedures that will be followed by the CDM Smith team during execution of this contract. CDM Smith will maintain an administrative record file on the SharePoint site maintained by the Authority's project coordination contractor, the Hallmark Group. The administrative record will document references, project decisions, and regular meeting documentation including agendas and summaries. Work on Task 1 will continue for the full period of performance of this contract – May 1, 2026, through February 28, 2027 (10 months).

Deliverables

Deliverables from Task 1 shall include:

- Complete Administrative Record delivered in electronic format at the conclusion of the contract
- Monthly progress reports and invoices



Jacob Bejarano, San Luis & Delta-Mendota Water Authority
April 17, 2026
Page 2

Assumptions:

The project management meetings will be attended by the CDM Smith Project Manager and Task Leaders for Task 2 and Task 3. CDM Smith assumes that the three virtual meetings and one in-person meeting at the Authority's Tracy field office during each of the seven months that work on Task 2 and Task 3 is underway.

Task 2: Construction Environmental Monitoring

The Project evaluated in the Feasibility Report and the Environmental Assessment/Initial Study (EA/IS) proposed modifications to the DMC between the C.W. "Bill" Jones Pumping Plant and the Mendota Pool (113 miles). Implementation of the overall project is being segmented into multiple phases. The work included in this task covers the work proposed under Phase 1, Task 1 - Mile Post (MP) 3.5 to 7.2.

CDM Smith will conduct construction monitoring in accordance with MMRP, BA, and BO requirements. Daily construction activities will be completed in the Task 1 construction area (MP 3.5 to 7.2). Biological construction monitoring will entail the following:

- Coordination of biological monitors to ensure adequate daily coverage
- Monitoring construction activities that may result in take of a listed species
- Implementation and monitoring of the biological resource mitigation measures identified in the Final Environmental Assessment/Initial Study Mitigation Monitoring and Reporting Plan and required by the Biological Opinion.
- Administering one-time worker environmental awareness training program for all construction staff prior to starting work on the construction site. This training will continue to be given on an as needed basis when new staff need to initiate work on the construction site.
- Biological resource monitoring as identified in the Final Environmental Assessment/Initial Study Mitigation Monitoring and Reporting Plan and required by the Biological Opinion.
- Inspecting the work area daily for wildlife on site, exclusion fencing condition, and wildlife den establishment
- Inspecting environmentally sensitive area fencing seven days a week during the wet season (October 16 to May 31).
- Inspecting wildlife exclusion fencing daily during the wet season (October 16 to May 31)
- Inspecting beneath equipment and vehicles for wildlife prior to use daily.



Jacob Bejarano, San Luis & Delta-Mendota Water Authority
April 17, 2026
Page 3

Deliverables

- Maintaining worker environmental awareness training log.

Assumptions

- Active construction will occur 10 hours a day, Monday through Friday
- Monitoring of exclusion fencing will be necessary on Saturday and Sunday during the wet season (October 16 to May 31)
- Construction will begin on June 1, 2026 and end on January 31, 2027 (244 calendar days)
- One full-time biologist required daily while construction is underway (Monday through Friday), for the duration of construction (June 1, 2026 to January 31, 2027) in the Task 1 area (MP 3.5 to 7.2)
- During the wet season an additional two full-time biologists required daily (seven days per week) for wildlife exclusion fencing checks during the wet season (October 16, 2026 to January 31, 2027)
- CDM Smith's project lead and biological monitoring lead will each travel to the construction site once per month for direct coordination with the biological monitoring team. All other coordination will be completed via telephone.

Task 3: Construction Management

The purpose of this task is to, in general, provide construction management services to the Authority for Task 1 of Phase 1 of the DMC Subsidence Correction Project. In general, the scope of work for this task is defined by the descriptions presented below and is limited by the level of effort stated in the budget. CDM Smith's construction management services will include:

- Project & Construction Management
 - Act as Owner's representative in the field
 - Coordination between the Authority, Reclamation, and Kiewit
 - Facilitate communication and issue resolution
 - Monitor compliance with contract documents



Jacob Bejarano, San Luis & Delta-Mendota Water Authority
April 17, 2026
Page 4

- Contract Administration
 - Submittal review coordination (Engineer approval authority retained by Reclamation)
 - RFI tracking and resolution support
 - Change order review and recommendation
 - Progress payment verification
 - Claims avoidance, documentation, and support
- Field Engineer (QA)
 - Daily inspection of construction activities
 - Verification of compliance with plans, specifications, and permits
 - Documentation of work quantities and installed materials
 - Photo documentation and daily reports
- Materials Testing & Geotechnical (by RMA as subconsultant to CDM Smith)
 - Embankment compaction testing
 - Borrow material verification
 - Subgrade preparation verification
 - Concrete testing (slump, air, strength, placement monitoring)
 - Geotechnical observation and reporting
- Scheduling Oversight
 - Review and analyze Contractor baseline schedule
 - Monitor critical path activities
 - Review schedule updates and progress
 - Identify delays and recommend corrective actions
- Cost Estimating & Controls
 - Independent cost estimate validation (as needed)
 - Review of GMP assumptions and change orders
 - Monitor contingency usage
 - Verify pay quantities and progress payments



Jacob Bejarano, San Luis & Delta-Mendota Water Authority
April 17, 2026
Page 5

- Construction Management Plan (CMP) and Quality Assurance Plan (QAP)
 - Developed to provide independent oversight, contract administration, and field-based quality assurance (QA) for the project.
 - CMP and QAP will work alongside contractor's quality control program to establish procedures and organizational roles necessary to support project delivery safely, on schedule, and in strict compliance with all contracts, environmental, and regulatory requirements.
 - CDM Smith will serve as the primary construction manager and QA authority in the field. The CMP and QAP outline extensive coordination with USBR throughout the project lifecycle.
- Additional Support Services
 - Constructability feedback (as needed during early construction)
 - Risk management and mitigation tracking

Assumptions

- Active construction will occur 10 hours a day, Monday through Friday
- Construction will begin on June 1, 2026, with substantial completion on December 31, 2026, and final completion on January 31, 2027 (244 days)
- The Construction Manager will be on site for meetings with the Authority, Reclamation, and the construction contractor once weekly. The Construction Manager will also provide remote support during periods when not on site.
- The Resident Engineer and Field Engineers will be on site full-time during active construction (10 hours a day, five days per week Monday through Friday).
- Kiewit will provide all quality control testing and laboratory testing services. CDM Smith will provide quality assurance testing. We have budgeted up to 2,800 hours of field inspection services and \$50,000 for laboratory testing.
- CDM Smith will prepare a Health and Safety plan covering the CDM Smith team's work on the project. This Health and Safety plan will incorporate health and safety plans developed by the testing subcontractor RMA. Kiewit holds responsibility for the comprehensive safety of the project.
- Kiewit will lead all progress meetings and will prepare meeting agendas and notes.



Jacob Bejarano, San Luis & Delta-Mendota Water Authority
April 17, 2026
Page 6

- Kiewit is responsible for reporting on labor compliance certification and funding compliance requirements.
- CDM Smith will attend Risk Management meetings; however, Kiewit will have primary responsibility for managing Risk Management activities overall.
- Kiewit will supply and manage InEight project documentation software.
- CDM Smith and the Authority will review administrative RFIs and submittals.
- The Engineer of Record from the Reclamation TSC group will review and respond to technical RFIs and submittals. Reclamation will maintain a limited QA oversight role, CDM Smith will coordinate directly with Reclamation on field testing and laboratory services.
- Kiewit will prepare and submit monthly construction progress reports as part of the payment application and schedule update process.
- CDM Smith and the Authority will collaborate on change management activities on a monthly basis.
- CDM Smith will not supervise, direct or have control over the Kiewit 's work nor will CDM Smith have authority over or responsibility for the means, methods, techniques, sequences or procedures of construction selected by Kiewit, for safety precautions and programs incident to the work of Kiewit or for any failure of Kiewit to comply with laws, rules, regulations, ordinances, codes or orders applicable to Kiewit's furnishing and performing the work. Accordingly, CDM Smith neither guarantees the performance of any Kiewit work nor assumes responsibility for any Kiewit failure to furnish and perform its work in accordance with the Contract Documents.

Deliverables

- CDM Smith staff will submit daily reports with photos through the InEight project documentation software provided by Kiewit.
- CDM Smith will review Kiewit's schedule updates monthly. This review will evaluate milestone variances against the baseline, performing a critical path and total float analysis to identify potential delays, and monitoring work execution rates and schedule compression to assess completion risk. The review also involves verifying logic modifications made by the contractor and tracking specific submittal and procurement activities to ensure they align with project requirements.



- After Kiewit achieves substantial completion, CDM Smith will collaborate with Reclamation's CM Group to create a punchlist and manage its completion.

Proposed Budget

Table 1 presents the proposed budget by task to complete the work identified in the scope of work. Table 2 presents the 2026 billing rates that were used to develop the estimates in Table 1.

Table 1. Proposed Budget

Task		Proposed Budget
Task 1	Project Management	\$412,218
Task 2	Construction Environmental Monitoring	\$1,535,986
Task 3	Construction Management	\$2,589,857
Total		\$4,538,061

Table 2. CDM Smith 2026 Rates

Labor Category	Rate
Engineer/Planner/Scientist 1	\$125.00
Engineer/Planner/Scientist 2	\$140.00
Engineer/Planner/Scientist 3	\$154.00
Engineer/Planner/Scientist 4	\$182.00
Engineer/Planner/Scientist 5	\$230.00
Engineer/Planner/Scientist 6	\$242.00
Engineer/Planner/Scientist 7	\$270.00
Engineer/Planner/Scientist 8	\$300.00
Resident Engineer 7	\$250.00
Field Engineer 5	\$200.00
Editor	\$175.00
Subject Matter Expert	\$350.00
Project Manager	\$250.00
Principal In Charge	\$385.00
Project Controls	\$82.00
Project Delivery Assistant	\$138.00
Project Financials	\$194.00

Task Order 2 - Attachment 2

Agreement No. 4600014564

Page 1 of 37

FUNDING AGREEMENT BETWEEN
THE STATE OF CALIFORNIA (DEPARTMENT OF WATER RESOURCES)
AND
SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
4600014564
CONVEYANCE SUBSIDENCE PROGRAM

THIS FUNDING AGREEMENT is entered into by and between the Department of Water Resources of the State of California, herein referred to as the "State" and the San Luis & Delta-Mendota Water Authority, a joint powers authority in the State of California, duly organized, existing, and acting pursuant to the laws thereof, herein referred to as the "Funding Recipient," which parties do hereby agree as follows:

1. PURPOSE. State shall provide funding from the Budget Act of 2021 (Stats. 2021, ch. 240, § 80) to Funding Recipient to assist in financing the Delta-Mendota Canal Subsidence Correction Project (Project).
2. TERM OF FUNDING AGREEMENT. The term of this Funding Agreement begins on the date this Funding Agreement is initially executed by State, through final payment plus three (3) years unless otherwise terminated or amended as provided in this Agreement. However, all work shall be completed by January 31, 2026, and no funds may be requested after June 30, 2026.
3. TOTAL PROJECT COST. The reasonable cost of the Project, through the development of the initial design, is estimated to be \$19,058,044. Funding Recipient agrees to fund the difference between the actual Total Project Cost and the amount specified in Paragraph 4, if any.
4. FUNDING AMOUNT. The maximum amount payable by the State under this Agreement shall not exceed \$3,307,925.
5. BASIC CONDITIONS. State shall have no obligation to disburse money for the Project under this Funding Agreement until Funding Recipient has satisfied the following conditions:
 - A. For the term of this Funding Agreement, Funding Recipient submits timely Quarterly Progress Reports as required by Paragraph 12, "Submission of Reports."
 - B. Funding Recipient submits all deliverables as specified in Paragraph 12 of this Funding Agreement and in Exhibit A.
 - C. Prior to the commencement of construction or implementation activities, Funding Recipient shall submit the following to the State:
 - i. Final plans and specifications certified by a California Registered Civil Engineer as to compliance for the Project as listed in Exhibit A of this Funding Agreement.
 - ii. Work that is subject to the California Environmental Quality Act (CEQA) and or environmental permitting shall not proceed under this Funding Agreement until the following actions are performed:
 - a. Funding Recipient submits to the State all applicable environmental permits as indicated on the Environmental Information Form to the State,
 - b. Documents that satisfy the CEQA process are received by the State,
 - c. State has completed its CEQA compliance review as a Responsible Agency, and

- d. Funding Recipient receives written concurrence from the State of Lead Agency's CEQA document(s) and State notice of verification of environmental permit submittal.

State's concurrence of Lead Agency's CEQA documents is fully discretionary and shall constitute a condition precedent to any work (i.e., construction or implementation activities) for which it is required. Once CEQA documentation has been completed, State will consider the environmental documents and decide whether to continue to fund the project or to require changes, alterations or other mitigation. Funding Recipient must also demonstrate that it has complied with all applicable requirements of the National Environmental Policy Act (NEPA) by submitting copies of any environmental documents, including environmental impact statements, Finding of No Significant Impact, mitigation monitoring programs, and environmental permits as may be required prior to beginning construction/implementation.

6. DISBURSEMENT OF FUNDS. State will disburse to Funding Recipient the amount approved, subject to the availability of funds through normal State processes. Notwithstanding any other provision of this Funding Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations. Any and all money disbursed to Funding Recipient under this Funding Agreement shall be deposited in a separate account and shall be used solely to pay Eligible Project Costs.
7. ELIGIBLE PROJECT COST. Funding Recipient shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and Exhibit B. Eligible Project Costs include the reasonable costs of studies, engineering, design, land and easement acquisition, legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project construction. Reimbursable administrative expenses are the necessary costs incidental but directly related to the Project included in this Agreement. Work performed on the Project on/after September 23, 2021, shall be eligible for reimbursement.

Costs that are not eligible for reimbursement include, but are not limited to the following items:

- A. Costs, other than those noted above, incurred prior to September 23, 2021.
 - B. Operation and maintenance costs, including post construction performance and monitoring costs.
 - C. Purchase of equipment not an integral part of the Project.
 - D. Establishing a reserve fund.
 - E. Purchase of water supply.
 - F. Monitoring and assessment costs for efforts required after project construction is complete.
 - G. Replacement of existing funding sources for ongoing programs.
 - H. Travel and per diem costs.
 - I. Support of existing agency requirements and mandates (e.g., punitive regulatory agency requirement).
 - J. Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of the Project, as set forth and detailed by engineering and feasibility studies, or land purchased prior to September 23, 2021.
8. METHOD OF PAYMENT. After the disbursement requirements in Paragraph 5 "Basic Conditions" are met, State will disburse the whole or portions of State funding to Funding Recipient, following receipt from Funding Recipient via US mail or Express mail delivery of a "wet signature" invoice, or an electronic invoice certified and transmitted via DocuSign for costs incurred, including Cost

Share, and timely Quarterly Progress Reports as required by Paragraph 12, "Submission of Reports." Payment will be made no more frequently than quarterly, in arrears, upon receipt of an invoice bearing the Funding Agreement number. State will notify Funding Recipient, in a timely manner, whenever, upon review of an Invoice, State determines that any portion or portions of the costs claimed are not eligible costs or is not supported by documentation or receipts acceptable to State. Funding Recipient may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to State to cure such deficiency(ies). If Funding Recipient fails to submit adequate documentation curing the deficiency(ies), State will adjust the pending invoice by the amount of ineligible or unapproved costs.

Invoices submitted by Funding Recipient shall include the following information:

- A. Costs incurred for work performed in implementing the Project during the period identified in the particular invoice.
- B. Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for the Project during the period identified in the particular invoice for the implementation of the Project.
- C. Invoices shall be submitted on forms provided by State and shall meet the following format requirements:
 - i. Invoices must contain the date of the invoice, the time period covered by the invoice, and the total amount due.
 - ii. Invoices must be itemized based on the categories (i.e., tasks) specified in Exhibit B. The amount claimed for salaries/wages/consultant fees must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed).
 - iii. One set of sufficient evidence (i.e., receipts, copies of checks, time sheets) must be provided for all costs included in the invoice.
 - iv. Each invoice shall clearly delineate those costs claimed for reimbursement from the State's funding amount, as depicted in Paragraph 4, "Funding Amount" and those costs that represent Funding Recipient's costs, as applicable.
 - v. Original signature and date (in ink or electronically) of Funding Recipient's Project Representative. Submit the original "wet signature" or electronic copy of the invoice form to the following address with Attention to Mehdi Mizani: 3464 El Camino Avenue, Suite 200, Sacramento, California, 95821 or an electronic signature certified and transmitted via DocuSign from authorized representative to Mehdi Mizani, Program Manager at Mehdi.Mizani@water.ca.gov.

All invoices submitted shall be accurate and signed under penalty of law. Any and all costs submitted pursuant to this Agreement shall only be for the tasks set forth herein. The Funding Recipient shall not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., match costs/cost share). Any eligible costs for which the Funding Recipient is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other eligible cost is illegal and constitutes fraud. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements of grant funds and/or termination of this Agreement requiring the repayment of all funds disbursed hereunder plus interest. Additionally, the State may request an audit pursuant to Paragraph D.5 and refer the matter to the Attorney General's Office or the appropriate district

attorney's office for criminal prosecution or the imposition of civil liability. (Civ. Code, §§ 1572-1573; Pen. Code, §§ 115, 470, 487-489.)

9. WITHHOLDING OF DISBURSEMENTS BY STATE. If State determines that the Project is not being implemented in accordance with the provisions of this Funding Agreement, or that Funding Recipient has failed in any other respect to comply with the provisions of this Funding Agreement, and if Funding Recipient does not remedy any such failure to State's satisfaction, State may withhold from Funding Recipient all or any portion of the State funding and take any other action that it deems necessary to protect its interests. Where a portion of the State funding has been disbursed to the Funding Recipient and State notifies Funding Recipient of its decision not to release funds that have been withheld pursuant to Paragraph 10, the portion that has been disbursed shall thereafter be repaid immediately, as directed by State. State may consider Funding Recipient's refusal to repay the requested disbursed amount a contract breach subject to the default provisions in Paragraph 10, "Default Provisions." If State notifies Funding Recipient of its decision to withhold the entire funding amount from Funding Recipient pursuant to this paragraph, this Funding Agreement shall terminate upon receipt of such notice by Funding Recipient and the State shall no longer be required to provide funds under this Funding Agreement and the Funding Agreement shall no longer be binding on either party.
10. DEFAULT PROVISIONS. Funding Recipient will be in default under this Funding Agreement if any of the following occur:
- A. Substantial breaches of this Funding Agreement, or any supplement or amendment to it, or any other agreement between Funding Recipient and State evidencing or securing Funding Recipient's obligations;
 - B. Making any false warranty, representation, or statement with respect to this Funding Agreement or any documents submitted to the State to obtain this Funding Agreement;
 - C. Failure to operate or maintain the Project in accordance with this Funding Agreement;
 - D. Failure to make any remittance required by this Funding Agreement, including any remittance recommended as the result of an audit conducted pursuant to Paragraph D.5;
 - E. Failure to submit timely progress reports;
 - F. Failure to routinely invoice State; or
 - G. Failure to meet any of the requirements set forth in Paragraph 11, "Continuing Eligibility."

Should an event of default occur, State shall provide a notice of default to the Funding Recipient and shall give Funding Recipient at least ten (10) calendar days to cure the default from the date the notice is sent via first-class mail to the Funding Recipient. If the Funding Recipient fails to cure the default within the time prescribed by the State, State may do any of the following:

- A. Declare the funding be immediately repaid;
- B. Terminate any obligation to make future payments to Funding Recipient;
- C. Terminate the Funding Agreement; or
- D. Take any other action that it deems necessary to protect its interests.

In the event State finds it necessary to enforce this provision of this Funding Agreement in the manner provided by law, Funding Recipient agrees to pay all costs incurred by State including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.

11. CONTINUING ELIGIBILITY. Funding Recipient must meet the following ongoing requirements to remain eligible to receive State funds:
- A. An urban water supplier that receives public funds pursuant to this Agreement shall maintain compliance with the Urban Water Management Planning Act (UWMP; Wat. Code, § 10610 et seq.) and Sustainable Water Use and Demand Reduction (Wat. Code, § 10608 et seq.).
 - B. An agricultural water supplier receiving public funds shall comply with Sustainable Water Use and Demand Reduction requirements outlined in Water Code section 10608, et seq. and have their Agricultural Water Management Plan (AWMP) deemed consistent by DWR. To maintain eligibility and continue funding disbursements, an agricultural water supply shall have their 2015 AWMP identified on the State's website.
 - C. A surface water diverter receiving public funds shall maintain compliance with diversion reporting requirements as outlined in Water Code section 5100 et. seq.
 - D. If the Funding Recipient has been designated as a monitoring entity under the California Statewide Groundwater Elevation Monitoring (CASGEM) Program, the Funding Recipient shall maintain reporting compliance, as required by Water Code section 10932 and the CASGEM Program. Alternatively, if the Grantee has submitted a Groundwater Sustainability Plan (GSP) or Alternative Plan pursuant to the GSP Regulations (Cal. Code Regs., tit. 23, § 350 et seq.), groundwater level data must be submitted through the SGMA Portal at: <https://sgma.water.ca.gov/portal/>.
 - E. The Grantee shall adhere to the protocols developed pursuant to The Open and Transparent Water Data Act (Wat. Code, § 12406, et seq.) for data sharing, transparency, documentation, and quality control.
12. SUBMISSION OF REPORTS. The submittal and approval of all reports is a requirement for the successful completion of this Funding Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to State. All reports shall be submitted to the State's Project Manager. If requested, Funding Recipient shall promptly provide any additional information deemed necessary by State for the approval of reports. Reports shall be presented in the formats described in the applicable portion of Exhibit F. The timely submittal of reports is a requirement for initial and continued disbursement of State funds. Submittal and subsequent approval by the State, of a Project Completion Report is a requirement for the release of any funds retained for such project.
- A. Quarterly Progress Reports: Funding Recipient shall submit Quarterly Progress Reports to meet the State's requirement for disbursement of funds. Quarterly Progress Reports shall be uploaded via GRanTS, and the State's Project Manager notified of upload. Quarterly Progress Reports shall, in part, provide a brief description of the work performed, Funding Recipients activities, milestones achieved, any accomplishments and any problems encountered in the performance of the work under this Funding Agreement during the reporting period. The first Quarterly Progress Report should be submitted to the State within three months of the execution of this Funding Agreement, with future reports then due on successive three-month increments.
 - B. Project Completion Reports: Funding Recipient shall prepare and submit to State a Project Completion Report. Funding Recipient shall submit a Project Completion Report within ninety (90) calendar days of Project completion. The Project Completion Report shall include, in part, a description of actual work done, any changes or amendments to the Project, and a final

schedule showing actual progress versus planned progress, copies of any final documents or reports generated or utilized during the Project. The Project Completion Report shall also include, if applicable, certification of final project by a registered civil engineer, consistent with Standard Condition D.17, "Final Inspections and Certification of Registered Civil Engineer". A DWR "Certification of Project Completion" form will be provided by the State.

- C. Post-Performance Reports: Funding Recipient shall submit Post-Performance Reports. Post-Performance Reports shall be submitted to State within ninety (90) calendar days after the first operational year of the Project has elapsed. This record keeping and reporting process shall be repeated annually for a total of 3 years after the completed Project begins operation.

13. OPERATION AND MAINTENANCE OF PROJECT. For the useful life of construction and implementation projects and in consideration of the funding made by State, Funding Recipient agrees to ensure or cause to be performed the commencement and continued operation of the Project, and shall ensure or cause the Project to be operated in an efficient and economical manner; shall ensure all repairs, renewals, and replacements necessary to the efficient operation of the same are provided; and shall ensure or cause the same to be maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted. The State shall not be liable for any cost of such maintenance, management, or operation. Funding Recipient or their successors may, with the written approval of State, transfer this responsibility to use, manage, and maintain the property. For purposes of this Funding Agreement, "useful life" means period during which an asset, property, or activity is expected to be usable for the purpose it was acquired or implemented; "operation costs" include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses, and "maintenance costs" include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal of Funding Recipient to ensure operation and maintenance of the projects in accordance with this provision may, at the option of State, be considered a breach of this Funding Agreement and may be treated as default under Paragraph 10, "Default Provisions."

14. NOTIFICATION OF STATE. Funding Recipient shall promptly notify State, in writing, of the following items:

- A. Events or proposed changes that could affect the scope, budget, or work performed under this Funding Agreement. Funding Recipient agrees that no substantial change in the scope of a project will be undertaken until written notice of the proposed change has been provided to State and State has given written approval for such change. Substantial changes generally include changes to the scope of work, schedule or term, and budget.
- B. Any public or media event publicizing the accomplishments and/or results of this Funding Agreement and provide the opportunity for attendance and participation by State's representatives. Funding Recipient shall make such notification at least 14 calendar days prior to the event.
- C. Discovery of any potential archaeological or historical resource. Should a potential archaeological or historical resource be discovered during construction, the Funding Recipient agrees that all work in the area of the find will cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the State has determined what actions should be taken to protect and preserve the resource. The Funding Recipient agrees to implement appropriate actions as directed by the State.

- D. The initiation of any litigation or the threat of litigation against the Funding Recipient regarding the Project or that may affect the Project in any way.
- E. Final inspection of the completed work on a project by a Registered Civil Engineer, in accordance with Standard Condition D.17, "Final Inspections and Certification of Registered Civil Engineer." Funding Recipient shall notify the State's Project Manager of the inspection date at least 14 calendar days prior to the inspection in order to provide State the opportunity to participate in the inspection.
15. NOTICES. Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Funding Agreement shall be in writing. Notices may be transmitted by any of the following means:
- A. By delivery in person.
- B. By certified U.S. mail, return receipt requested, postage prepaid.
- C. By "overnight" delivery service; provided that next-business-day delivery is requested by the sender.
- D. By electronic means.
- E. Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the U. S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices shall be sent to the below addresses. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.
16. PROJECT REPRESENTATIVES. The Project Representatives during the term of this Funding Agreement are as follows:

Department of Water Resources
Jeremy Arrich
Division Manager, Division of Flood
Management
3310 El Camino Avenue, Suite 100
Sacramento, CA 95821

San Luis & Delta-Mendota Water Authority
Federico Barajas
Executive Director
1331 Garden Hwy
Sacramento, CA 95833 (209) 752-4058

Direct all inquiries to the Program Manager:

Department of Water Resources
Mehdi Mizani, P.E.
3464 El Camino Avenue, Suite 200
Sacramento, CA 95821

San Luis & Delta-Mendota Water Authority
Robert Martin, P.E.
Facilities O&M Director
15990 Kelso Road
Byron, CA 94514-9614
(209) 832-6220

Either party may change its Project Representative or Project Manager upon written notice to the other party.

17. STANDARD PROVISIONS AND INTEGRATION. This Funding Agreement is complete and is the final Agreement between the parties. The following Exhibits are attached and made a part of this Funding Agreement by this reference:

Exhibit A – Work Plan

Exhibit B – Budget

Exhibit C – Schedule

Exhibit D – Standard Conditions

Exhibit E – Funding Recipient Authorizing Resolution

Exhibit F – Report Formats and Requirements

Exhibit G – Requirements for Data Submittal

Exhibit H – State Audit Document Requirements and Funding Match Guidelines for Funding Recipients

Exhibit I – Project Location

Exhibit J – Information Needed for Escrow Process and Closure

Exhibit K – Appraisal Specifications

IN WITNESS WHEREOF, the parties hereto have executed this Funding Agreement.

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

SAN LUIS & DELTA-MENDOTA WATER
AUTHORITY



Jeremy Arrich, Division Manager
Division of Flood Management
Date 4/4/2022



Federico Barajas, Executive Director
Date 4/1/2022

Approved as to Legal Form and Sufficiency

Approved as to Legal Form and Sufficiency

 for

Robin Brewer, Assistant General Counsel
Office of the General Counsel
Date 4/1/2022



Rebecca R. Akroyd, General Counsel
Date 4/1/2022

Exhibit A

WORK PLAN

The San Luis and Delta-Mendota Water Authority (Funding Recipient) was established in 1992 and consists of 27 member agencies providing water service to approximately 1,200,000 acres of irrigated agriculture, 2 million people, and 130,000 acres of managed wetlands within the western San Joaquin Valley, San Benito and Santa Clara counties. The Funding Recipient is responsible for the operation, maintenance, and replacement (OM&R) of certain Central Valley Project facilities, including the Delta-Mendota Canal (DMC), a 116.5-mile-long canal that carries water from the San Joaquin Delta near Tracy to the Mendota Pool, about 30 miles west of Fresno. The Central Valley Project is the nation's largest federal reclamation project operated by Reclamation.

Construction of the DMC was completed in 1951 and was designed for a flow capacity of 4,600 cubic feet per second (cfs) that progressively decreases along its length to a final design capacity of 3,210 cfs as it discharges into the Mendota Pool. As a result of subsidence, the available freeboard for the canal lining and the canal embankment, and clearances between water surface elevations (WSE) and structures crossing the canal, no longer meet Reclamation standards. The combination of reduced freeboard and impacted structures requires that the Funding Recipient operate the DMC at a lower WSE thereby reducing the conveyance capacity of the canal. The continued, safe and reliable operation of the DMC is critical to the users it serves, and the economies it supports. The DMC Subsidence Correction Project has been developed to analyze potential alternatives to restore the capacity of the DMC.

Ground subsidence is generally the result of groundwater extraction via pumping at a rate higher than the recharge of the aquifer. The Sustainable Groundwater Management Act, passed in 2014, required the formation of local Groundwater Sustainability Agencies (GSAs) to oversee the development and implementation of Groundwater Sustainability Plans (GSPs), with the ultimate goal of achieving sustainable management of the State's groundwater basins. The DMC crosses multiple groundwater subbasins, including the San Joaquin Valley-East Contra Costa, Tracy, and Delta-Mendota subbasins. Under SGMA, the Delta-Mendota subbasin is a critically overdrafted basin, and San Joaquin Valley-East Contra Costa and Tracy subbasins are medium priority groundwater basins. Full implementation of sustainable management criteria to avoid undesirable results within the various GSPs underlying the DMC is not expected to occur until 2040. This is likely to result in continued subsidence, along with predicted residual subsidence beyond 2040. The DMC Subsidence Correction Project has been developed with a design life through 2070.

A preliminary Geotechnical Investigation and a preliminary investigation have been completed to date. A Feasibility Study (Study) is underway to evaluate multiple alternatives with the completion of the Study in February 2023. The Study will evaluate current and future conditions, environmental impacts, perform an economic analysis and prepare environmental documentation in support of permitting for a recommended alternative.

The work anticipated under this work plan will be to issue a Professional Services Agreement for Phase 1 of the Final Design and fund additional Geotechnical Investigations to support design.

Budget Category (a): Project Administration**Task 1: Project Management**

Manage Funding Agreement including compliance with funding requirements, and preparation and submission of supporting grant documents. Prepare invoices including relevant supporting documentation for submittal to DWR. This task also includes administrative responsibilities associated with the Project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR. Prepare draft Project Completion Report and submit to DWR no later than 90 days after Project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Quarterly Project Progress Reports
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2
- Project Completion Report

Budget Category (b): Land Purchase/Easement

Not being funded pursuant to this Agreement.

Budget Category (c): Planning/Design/Engineering/Environmental Documentation**Task 3: CEQA Documentation**

Not being funded pursuant to this Agreement.

Task 4: Design

This Funding Recipient will utilize information identified during the Feasibility Study of the Project to prepare a specification package (design, drawings, cost estimate, specifications, and construction schedule) in accordance with the US Bureau of Reclamation's Final Design Process guidelines. (NOTE: The US Bureau of Reclamation (USBR) is the owner of the DMC and associated works.)

Task 4.a Project/Grant Management and Site Visits

This task will cover Project and Grant Management activities including coordination with USBR, DWR and other Agencies/Consultants in the development of the Project. It is anticipated that various field visits will be needed to support the Project for meetings and administrative functions such as, budget tracking, progress reporting, change orders, and project closeout.

Task 4.b Data Collection and Field Studies

Data collection will consist of both internal compilations of DMC specific information as well as field explorations necessary to support the Project Design. This may include additional Biological/Cultural Clearances which may be required to refine final design of the preferred alternative.

Task 4.c Value Engineering

The Funding Recipient will coordinate a Value Engineering (VE) effort to ensure that public investments are maximized. Under this effort the VE session will be conducted in consultation with USBR to identify cost savings by way of material, methods, and/or phasing changes. This task will be completed once a 30% design package has been completed with findings incorporated into future design milestones.

Task 4.d Design, Modeling and Technical Memoranda

The USBR/Consultant/Funding Recipient team will prepare the final design for the Project incorporating the Feasibility Study findings, previously gathering data, studies from previous tasks and refinements to the hydraulic model to advance the Project design. Technical Memoranda's will be prepared to support the design decisions and document the design criteria.

Task 4.e Specification Package

It is expected that the Design will progress through the 30%, 60%, 90% and Final Design Specifications which will feed into various tasks for further evaluation prior to proceeding to the next design milestone. Under this task Project Specifications will be prepared which will consist of the plans, specifications and construction estimate which will serve as the basis of the bidding in future construction bid solicitations.

It is currently assumed that the specifications package will be one single package however the value engineering effort may split the project into phases with the potential of separating contract. Under this condition, an amendment will be sought to fund this additional effort.

Deliverables

- Design Data Requirements and updated geotechnical scope for Final Design.
- Design Drawings at the 30%, 60%, 90%, and 100% levels.
- Project Specifications at the 60%, 90%, and 100% levels.
- Construction schedule at the 60%, 90%, and 100% levels.
- Project cost estimates at the 30%, 60% (if needed), 90%, and Prevalidation of Funding levels.
- Reports, Technical Memorandum's and other documents necessary to support the Final Design project.
- Designer will provide project management documents and items (agendas, meeting notes, etc.) associated with the project coordination.

Assumptions

- Feasibility Study findings will be used to support subsequent studies.
- Final design will address any past and future subsidence issues, as well as other deficiencies.

Exhibit B
BUDGET

BUDGET CATEGORY	State Cost-Share	Total Cost
(a) Grant Administration	\$0	\$0
(b) Land Purchase / Easement	\$0	\$0
(c) Planning / Design / Engineering / Environmental Documentation	\$3,307,925	\$3,307,925
TOTAL COSTS	\$3,307,925	\$3,307,925

Exhibit C
SCHEDULE

BUDGET CATEGORY		Start Date	End Date
a	Grant Administration	9/24/2021	12/31/2023
b	Land Purchase / Easement	n/a	n/a
c	Planning / Design / Engineering / Environmental Documentation	9/24/2021	12/31/2023

Exhibit D
STANDARD CONDITIONS

D.1. ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:

- A. **Separate Accounting of Funding Disbursements:** Funding Recipient shall account for the money disbursed pursuant to this Funding Agreement separately from all other Funding Recipient funds. Funding Recipient shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. Funding Recipient shall keep complete and accurate records of all receipts and disbursements on expenditures of such funds. Funding Recipient shall require its contractors or subcontractors to maintain books, records, and other documents pertinent to their work in accordance with generally accepted accounting principles and practices. Records are subject to inspection by State at any and all reasonable times.
- B. **Disposition of Money Disbursed:** All money disbursed pursuant to this Funding Agreement shall be deposited in a separate account, administered, and accounted for pursuant to the provisions of applicable law.
- C. **Remittance of Unexpended Funds:** Funding Recipient shall remit to State any unexpended funds that were disbursed to Funding Recipient under this Funding Agreement and were not used to pay Eligible Project Costs within a period of sixty (60) calendar days from the final disbursement from State to Funding Recipient of funds or, within thirty (30) calendar days of the expiration of the Funding Agreement, whichever comes first.

D.2. ACKNOWLEDGEMENT OF CREDIT AND SIGNAGE: Funding Recipient shall include appropriate acknowledgement of credit to the State for its support when promoting the Project or using any data and/or information developed under this Funding Agreement. Signage shall be posted in a prominent location at Project site(s) (if applicable) or at the Funding Recipient's headquarters and shall include the Department of Water Resources color logo and the following disclosure statement: "Funding for this project has been provided in full or in part from the Budget Act of 2021 and through an agreement with the State Department of Water Resources." The Funding Recipient shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.

D.3. AMENDMENT: This Funding Agreement may be amended at any time by mutual agreement of the Parties, except insofar as any proposed amendments are in any way contrary to applicable law. Requests by the Funding Recipient for amendments must be in writing stating the amendment request and the reason for the request. Requests solely for a time extension must be submitted at least 90 days prior to the work completion date set forth in Paragraph 2. Any other request for an amendment must be submitted at least 180 days prior to the work completion date set forth in Paragraph 2. State shall have no obligation to agree to an amendment.

D.4. AMERICANS WITH DISABILITIES ACT: By signing this Funding Agreement, Funding Recipient assures State that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. § 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

D.5. AUDITS: State reserves the right to conduct an audit at any time between the execution of this Funding Agreement and the completion of the Project, with the costs of such audit borne by State. After completion of the Project, State may require Funding Recipient to conduct a final audit to State's specifications, at Funding Recipient's expense, such audit to be conducted by

and a report prepared by an independent Certified Public Accountant. Failure or refusal by Funding Recipient to comply with this provision shall be considered a breach of this Funding Agreement, and State may elect to pursue any remedies provided in Paragraph 10 or take any other action it deems necessary to protect its interests. The Funding Recipient agrees it shall return any audit disallowances to the State.

Pursuant to Government Code section 8546.7, the Funding Recipient shall be subject to the examination and audit by the State for a period of three (3) years after final payment under this Funding Agreement with respect of all matters connected with this Funding Agreement, including but not limited to, the cost of administering this Funding Agreement. All records of Funding Recipient or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after receipt of the final disbursement under this Agreement.

- D.6. BUDGET CONTINGENCY: If the Budget Act of the current year covered under this Funding Agreement does not appropriate sufficient funds for this program, this Funding Agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of State to make any payments under this Funding Agreement. In this event, State shall have no liability to pay any funds whatsoever to Funding Recipient or to furnish any other considerations under this Funding Agreement and Funding Recipient shall not be obligated to perform any provisions of this Funding Agreement. Nothing in this Funding Agreement shall be construed to provide Funding Recipient with a right of priority for payment over any other Funding Recipient. If funding for any fiscal year after the current year covered by this Funding Agreement is reduced or deleted by the Budget Act, by Executive Order, or by order of the Department of Finance, the State shall have the option to either cancel this Funding Agreement with no liability occurring to State, or offer a Funding Agreement amendment to Funding Recipient to reflect the reduced amount.
- D.7. CEQA: Activities funded under this Funding Agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA). (Pub. Resources Code, § 21000 et seq.) Any work that is subject to CEQA and funded under this Agreement shall not proceed until documents that satisfy the CEQA process are received by the State's Project Manager and the State has completed its CEQA compliance. Work funded under this Agreement that is subject to a CEQA document shall not proceed until and unless approved by the Department of Water Resources. Such approval is fully discretionary and shall constitute a condition precedent to any work for which it is required. If CEQA compliance by the Funding Recipient is not complete at the time the State signs this Agreement, once State has considered the environmental documents, it may decide to require changes, alterations, or other mitigation to the Project; or to not fund the Project. Should the State decide to not fund the Project, this Agreement shall be terminated in accordance with Paragraph 10.
- D.8. CHILD SUPPORT COMPLIANCE ACT: The Funding Recipient acknowledges in accordance with Public Contract Code section 7110, that:
- A. The Funding Recipient recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Family Code section 5200 et seq.; and
 - B. The Funding Recipient, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

- D.9. CLAIMS DISPUTE: Any claim that the Funding Recipient may have regarding performance of this Agreement including, but not limited to, claims for additional compensation or extension of time, shall be submitted to the DWR Project Representative, within thirty (30) days of the Funding Recipient's knowledge of the claim. State and Funding Recipient shall then attempt to negotiate a resolution of such claim and process an amendment to this Agreement to implement the terms of any such resolution.
- D.10. COMPETITIVE BIDDING AND PROCUREMENTS: Funding Recipient's contracts with other entities for the acquisition of goods and services and construction of public works with funds provided by State under this Funding Agreement must be in writing and shall comply with all applicable laws and regulations regarding the securing of competitive bids and undertaking competitive negotiations. If the Funding Recipient does not have a written policy to award contracts through a competitive bidding or sole source process, the Department of General Services' *State Contracting Manual* rules must be followed and are available at: <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/State-Contracting>.
- D.11. COMPUTER SOFTWARE: Funding Recipient certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Funding Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.
- D.12. CONFLICT OF INTEREST: All participants are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code section 1090 and Public Contract Code sections 10410 and 10411, for State conflict of interest requirements.
- A. Current State Employees: No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
- B. Former State Employees: For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.
- C. Employees of the Funding Recipient: Employees of the Funding Recipient shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act. (Gov. Code, § 87100 et seq.)
- D. Employees and Consultants to the Funding Recipient: Individuals working on behalf of a Funding Recipient may be required by the Department to file a Statement of Economic

Interests (Fair Political Practices Commission Form 700) if it is determined that an individual is a consultant for Political Reform Act purposes.

- D.13. DELIVERY OF INFORMATION, REPORTS, AND DATA: Funding Recipient agrees to expeditiously provide throughout the term of this Funding Agreement, such reports, data, information, and certifications as may be reasonably required by State.
- D.14. DISPOSITION OF EQUIPMENT: Funding Recipient shall provide to State, not less than 30 calendar days prior to submission of the final invoice, an itemized inventory of equipment purchased with funds provided by State. The inventory shall include all items with a current estimated fair market value of more than \$5,000.00 per item. Within 60 calendar days of receipt of such inventory State shall provide Funding Recipient with a list of the items on the inventory that State will take title to. All other items shall become the property of Funding Recipient. State shall arrange for delivery from Funding Recipient of items that it takes title to. Cost of transportation, if any, shall be borne by State.
- D.15. DRUG-FREE WORKPLACE CERTIFICATION: Certification of Compliance: By signing this Funding Agreement, Funding Recipient, its contractors or subcontractors hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code, § 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:
- A. Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code section 8355.
 - B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355 to inform employees, contractors, or subcontractors about all of the following:
 - i. The dangers of drug abuse in the workplace,
 - ii. Funding Recipient's policy of maintaining a drug-free workplace,
 - iii. Any available counseling, rehabilitation, and employee assistance programs, and
 - iv. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
 - C. Provide, as required by Government Code section 8355, that every employee, contractor, and/or subcontractor who works under this Funding Agreement:
 - i. Will receive a copy of Funding Recipient's drug-free policy statement, and
 - ii. Will agree to abide by terms of Funding Recipient's condition of employment, contract or subcontract.
- D.16. EASEMENTS: Where the Funding Recipient acquires property in fee title or funds improvements to real property using State funds provided through this Funding Agreement, an appropriate easement or other title restriction providing for floodplain preservation and agricultural and/or wildlife habitat conservation for the subject property in perpetuity, approved by the State, shall be conveyed to a regulatory or trustee agency or conservation group acceptable to the State. The easement or other title restriction must be in first position ahead of any recorded mortgage or lien on the property unless this requirement is waived by the State.

Where the Funding Recipient acquires an easement under this Agreement, the Funding Recipient agrees to monitor and enforce the terms of the easement, unless the easement is subsequently transferred to another land management or conservation organization or entity with State permission, at which time monitoring and enforcement responsibilities will transfer to the new easement owner.

Failure to provide an easement acceptable to the State may result in termination of this Agreement.

- D.17. FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED CIVIL ENGINEER: Upon completion of the Project, Funding Recipient shall provide for a final inspection and certification by a California Registered Civil Engineer that the Project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Funding Agreement.
- D.18. FUNDING RECIPIENT'S RESPONSIBILITIES: Funding Recipient and its representatives shall:
- A. Faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A (Work Plan) and in accordance with Project Exhibit B (Budget) and Exhibit C (Schedule).
 - B. Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Funding Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Funding Recipient in the application, documents, amendments, and communications filed in support of its request for funding.
 - C. Comply with all applicable California, federal, and local laws and regulations.
 - D. Implement the Project in accordance with applicable provisions of the law.
 - E. Fulfill its obligations under the Funding Agreement and be responsible for the performance of the Project.
 - F. Obtain any and all permits, licenses, and approvals required for performing any work under this Funding Agreement, including those necessary to perform design, construction, or operation and maintenance of the Project. Funding Recipient shall provide copies of permits and approvals to State.
 - G. Be solely responsible for design, construction, and operation and maintenance of projects within the work plan. Review or approval of plans, specifications, bid documents, or other construction documents by State is solely for the purpose of proper administration of funds by State and shall not be deemed to relieve or restrict responsibilities of Funding Recipient under this Agreement.
 - H. Be solely responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Funding Recipient shall be responsible for any and all disputes arising out of its contracts for work on the Project, including but not limited to payment disputes with contractors and subcontractors. The State will not mediate disputes between the Funding Recipient and any other entity concerning responsibility for performance of work.
- D.19. GOVERNING LAW: This Funding Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

- D.20. **INCOME RESTRICTIONS:** The Funding Recipient agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Funding Recipient under this Agreement shall be paid by the Funding Recipient to the State, to the extent that they are properly allocable to costs for which the Funding Recipient has been reimbursed by the State under this Agreement. The Funding Recipient shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.
- D.21. **INDEMNIFICATION:** Funding Recipient shall indemnify and hold and save the State, its officers, agents, and employees, free and harmless from any and all liabilities for any claims and damages (including inverse condemnation) that may arise out of the Project and this Agreement, including, but not limited to any claims or damages arising from planning, design, construction, maintenance and/or operation of levee rehabilitation measures for this Project and any breach of this Agreement. Funding Recipient shall require its contractors or subcontractors to name the State, its officers, agents and employees as additional insureds on their liability insurance for activities undertaken pursuant to this Agreement.
- D.22. **INDEPENDENT CAPACITY:** Funding Recipient, and the agents and employees of Funding Recipients, in the performance of the Funding Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.
- D.23. **INSPECTION OF BOOKS, RECORDS, AND REPORTS:** During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this Funding Agreement or matters related hereto. Each of the parties hereto shall maintain and shall make available at all times for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this Funding Agreement. Failure or refusal by Funding Recipient to comply with this provision shall be considered a breach of this Funding Agreement, and State may withhold disbursements to Funding Recipient or take any other action it deems necessary to protect its interests.
- D.24. **INSPECTIONS OF PROJECT BY STATE:** State shall have the right to inspect the work being performed at any and all reasonable times during the term of the Funding Agreement. This right shall extend to any subcontracts, and Funding Recipient shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Funding Agreement with State.
- D.25. **LABOR CODE COMPLIANCE:** The Funding Recipient agrees to be bound by all the provisions of the Labor Code regarding prevailing wages and shall monitor all contracts subject to reimbursement from this Agreement to assure that the prevailing wage provisions of the Labor Code are being met. Current Department of Industrial Relations (DIR) requirements may be found at: <http://www.dir.ca.gov/lcp.asp>. For more information, please refer to DIR's *Public Works Manual* at: <http://www.dir.ca.gov/dlse/PWManualCombined.pdf>. The Funding Recipient affirms that it is aware of the provisions of section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance, and the Funding Recipient affirms that it will comply with such provisions before commencing the performance of the work under this Agreement and will make its contractors and subcontractors aware of this provision.
- D.26. **MODIFICATION OF OVERALL WORK PLAN:** At the request of the Funding Recipient, the State may at its sole discretion approve non-material changes to the portions of Exhibits A, B, and C which concern the budget and schedule without formally amending this Funding Agreement. Non-material changes with respect to the budget are changes that only result in

reallocation of the budget and will not result in an increase in the amount of the State Funding Agreement. Non-material changes with respect to the Project schedule are changes that will not extend the term of this Funding Agreement. Requests for non-material changes to the budget and schedule must be submitted by the Funding Recipient to the State in writing and are not effective unless and until specifically approved by the State's Program Manager in writing.

- D.27. **NONDISCRIMINATION:** During the performance of this Funding Agreement, Funding Recipient and its contractors or subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital/domestic partner status, gender identity, and denial of medial and family care leave or pregnancy disability leave. Funding Recipient and its contractors or subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Funding Recipient and its contractors or subcontractors shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code, § 12990.) and the applicable regulations promulgated there under (Cal. Code Regs., tit. 2, § 11000 et seq.). The applicable regulations of the Fair Employment and Housing Commission are incorporated into this Agreement by reference. Funding Recipient and its contractors or subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

Funding Recipient shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Funding Agreement.

- D.28. **OPINIONS AND DETERMINATIONS:** Where the terms of this Funding Agreement provide for action to be based upon, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.
- D.29. **PERFORMANCE BOND:** Where contractors are used, the Funding Recipient shall not authorize construction to begin until each contractor has furnished a performance bond in favor of the Funding Recipient in the following amounts: faithful performance (100%) of contract value, and labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than \$25,000.00. Any bond issued pursuant to this paragraph must be issued by a California-admitted surety. (Pub. Contract Code, § 7103; Code Civ. Proc., § 995.311.)
- D.30. **PRIORITY HIRING CONSIDERATIONS:** If this Funding Agreement includes services in excess of \$200,000, the Funding Recipient shall give priority consideration in filling vacancies in positions funded by the Funding Agreement to qualified recipients of aid under Welfare and Institutions Code section 11200 in accordance with Public Contract Code section 10353.
- D.31. **PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION:** The Funding Recipient shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with the Project, or with Funding Recipient's service of water, without prior permission of State. Funding Recipient shall not take any action, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of Funding Recipient meet its obligations under this Funding

Agreement, without prior written permission of State. State may require that the proceeds from the disposition of any real or personal property be remitted to State.

- D.32. PROJECT ACCESS: The Funding Recipient shall ensure that the State, the Governor of the State, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during Project construction and thereafter for the term of this Agreement.
- D.33. REMAINING BALANCE: In the event the Grantee does not submit invoices requesting all of the funds encumbered under this Grant Agreement, any remaining funds revert to the State. The State will notify the Grantee stating that the Project file is closed and any remaining balance will be disencumbered and unavailable for further use under this Grant Agreement.
- D.34. REMEDIES NOT EXCLUSIVE: The use by either party of any remedy specified herein for the enforcement of this Funding Agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.
- D.35. RETENTION: The State shall withhold ten percent (10%) of the funds requested by the Funding Recipient for reimbursement of Eligible Project Costs until the Project is completed and Final Report is approved. Any retained amounts due to the Funding Recipient will be promptly disbursed to the Funding Recipient, without interest, upon completion of the Project.
- D.36. RIGHTS IN DATA: Funding Recipient agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes and other written or graphic work produced in the performance of this Funding Agreement shall be made available to the State and shall be in the public domain to the extent to which release of such materials is required under the California Public Records Act. (Gov. Code, § 6250 et seq.) Funding Recipient may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Funding Agreement, subject to appropriate acknowledgement of credit to State for financial support. Funding Recipient shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so. The State shall have the right to use any data described in this paragraph for any public purpose.
- D.37. SEVERABILITY: Should any portion of this Funding Agreement be determined to be void or unenforceable, such shall be severed from the whole and the Funding Agreement shall continue as modified.
- D.38. SUSPENSION OF PAYMENTS: This Funding Agreement may be subject to suspension of payments or termination, or both if the State determines that:
- A. Funding Recipient, its contractors, or subcontractors have made a false certification, or
 - B. Funding Recipient, its contractors, or subcontractors violates the certification by failing to carry out the requirements noted in this Funding Agreement.
- D.39. SUCCESSORS AND ASSIGNS: This Funding Agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Funding Agreement or any part thereof, rights hereunder, or interest herein by the Funding Recipient shall be valid unless and until it is approved by State and made subject to such reasonable terms and conditions as State may impose.
- D.40. TERMINATION BY FUNDING RECIPIENT: Subject to State approval which may be reasonably withheld, Funding Recipient may terminate this Agreement and be relieved of contractual obligations. In doing so, Funding Recipient must provide a reason(s) for

termination. Funding Recipient must submit all progress reports summarizing accomplishments up until termination date.

- D.41. TERMINATION FOR CAUSE: Subject to the right to cure under Paragraph 10, the State may terminate this Funding Agreement and be relieved of any payments should Funding Recipient fail to perform the requirements of this Funding Agreement at the time and in the manner herein, provided including but not limited to reasons of default under Paragraph 10.
- D.42. TERMINATION WITHOUT CAUSE: The State may terminate this Agreement without cause on 30 days' advance written notice. The Funding Recipient shall be reimbursed for all reasonable expenses incurred up to the date of termination.
- D.43. THIRD PARTY BENEFICIARIES: The parties to this Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or any duty, covenant, obligation or understanding established herein.
- D.44. TIMELINESS: Time is of the essence in this Funding Agreement.
- D.45. UNION ORGANIZING: Funding Recipient, by signing this Funding Agreement, hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Funding Agreement. Furthermore, Funding Recipient, by signing this Funding Agreement, hereby certifies that:
- A. No State funds disbursed by this Funding Agreement will be used to assist, promote, or deter union organizing.
 - B. Funding Recipient shall account for State funds disbursed for a specific expenditure by this Funding Agreement to show those funds were allocated to that expenditure.
 - C. Funding Recipient shall, where State funds are not designated as described in (b) above, allocate, on a pro rata basis, all disbursements that support the program.
 - D. If Funding Recipient makes expenditures to assist, promote, or deter union organizing, Funding Recipient will maintain records sufficient to show that no State funds were used for those expenditures and that Funding Recipient shall provide those records to the Attorney General upon request.
- D.46. VENUE: The State and the Funding Recipient hereby agree that any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Funding Recipient hereby waives any existing sovereign immunity for the purposes of this Agreement.
- D.47. WAIVER OF RIGHTS: None of the provisions of this Funding Agreement shall be deemed waived unless expressly waived in writing. It is the intention of the parties here to that from time to time either party may waive any of its rights under this Funding Agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Funding Agreement shall not be deemed to be a waiver with respect to any other rights or matters, and such provisions shall continue in full force and effect.

Exhibit E

FUNDING RECIPIENT AUTHORIZING RESOLUTION

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY

RESOLUTION NO. 2021-497

RESOLUTION AUTHORIZING A PROPOSAL FOR FUNDING FROM THE DEPARTMENT OF WATER RESOURCES AND DESIGNATING A REPRESENTATIVE TO EXECUTE THE AGREEMENT AND ANY AMENDMENTS THERETO, FOR THE DELTA-MENDOTA CANAL SUBSIDENCE CORRECTION PROJECT

WHEREAS, the San Luis & Delta-Mendota Water Authority ("**Water Authority**") is a joint powers authority with responsibility for the operation, maintenance, and replacement ("**OM&R**") of certain Central Valley Project facilities, including the Delta-Mendota Canal ("**DMC**"), a 116.5-mile long canal that carries water from the San Joaquin Delta near Tracy to the Mendota Pool, about 30 miles west of Fresno;

WHEREAS, the Water Authority has OM&R responsibilities in the area proposed for the Delta-Mendota Canal Subsidence Correction Project ("**Project**") and is willing to participate in, coordinate, and collaborate with other interested parties that are participating in the development of the Project; and

WHEREAS, the Water Authority is authorized to enter into an agreement with the Department of Water Resources and the State of California; and

WHEREAS, authorizing preparing and submitting a proposal to obtain funding for the Project and executing a funding agreement with the Department of Water Resources do not constitute a project or projects under the California Environmental Quality Act ("**CEQA**") because the proposed actions represent administrative activities of the Water Authority that will not result in direct or indirect physical changes in the environment (Section 15378(b)(5) of the CEQA Guidelines); further, where it can be seen with certainty that there is no possibility that the proposed action in question may have a significant effect on the environment, the proposed action is not subject to CEQA (Section 15061(b)(3) of the CEQA Guidelines); further, future CEQA review will be completed prior to approval or any construction of the Project.

NOW, THEREFORE, BE IT RESOLVED, AS FOLLOWS, THAT:

Section 1. The facts stated in the recitals above are true and correct, and the Board so finds and determines.

Section 2. The Board hereby finds that pursuant and subject to all of the terms and conditions of the Budget Act of 2021 (Stats. 2021, ch. 240, § 80), the Water Authority shall submit a proposal to obtain funding for the Delta-Mendota Canal Subsidence Correction Project from the Department of Water Resources.

Section 3. The Board hereby authorizes the Executive Director, or his designee, to negotiate and execute the funding agreement with the Department of Water Resources and any amendments thereto.

Section 4. The Board further authorizes the Executive Director, or his designee, to prepare the necessary data, make investigations, and take other such actions as necessary and appropriate to execute the Delta-Mendota Canal Subsidence Correction Project.

PASSED, APPROVED AND ADOPTED this 9th day of December, 2021, by the Board of Directors of the San Luis & Delta-Mendota Water Authority



Cannon Michael, Chairman
San Luis & Delta-Mendota Water Authority

Attest:


Federico Barajas, Secretary

I hereby certify that the foregoing Resolution No. 2021-497 was duly and regularly adopted by the Board of Directors of the San Luis & Delta-Mendota Water Authority at the meeting thereof held on the 9th day of December, 2021.


Federico Barajas, Secretary

Exhibit F

REPORT FORMATS AND REQUIREMENTS

The following reporting formats should be utilized. Please obtain State approval prior to submitting a report in an alternative format.

1. PROGRESS REPORTS

Progress reports shall generally use the following format. This format may be modified as necessary to effectively communicate information.

PROJECT STATUS

Describe the work performed during the time period covered by the report including but not limited to:

PROJECT INFORMATION

- Legal matters
- Engineering Evaluations
- Environmental matters
- Status of permits, easements, rights-of-way, rights of entry and approvals as may be required by other State, federal, and/or local agencies
- Major accomplishments during the quarter (i.e. tasks completed, milestones met, meetings held or attended, press releases, etc.)
- Issues/concerns that have, will, or could affect the schedule or budget, with a recommendation on how to correct the matter
- Describe differences between the work performed and the work outlined in Exhibit A, including change orders
- Demonstrate financial ability to pay local cost share of Eligible Project Costs required to complete the Project
- Estimate the percentage completion of the overall Project
- Identify key issues that need to be resolved
- Photos documenting progress

COST INFORMATION

- Provide a list showing all project costs incurred during the time period covered by the report by the Funding Recipient and each contractor working on the Project and which of these costs are Eligible Project Costs
- A discussion on how the actual budget is progressing in comparison to the project budget included in the Overall Work Plan
- A list of any changes approved to the budget in accordance with Funding Agreement and a revised budget, by task, if changed from latest budget in the Overall Work Plan
- A discussion of whether there have been any changes to the Funding Recipient's finance plan for payment of the Funding Recipient's share of Eligible Project Costs

SCHEDULE INFORMATION

- A schedule showing actual progress verses planned progress
- A discussion on how the actual schedule is progressing in comparison to the original or last reported schedule
- A list of any changes approved to the Schedule in accordance with Funding Agreement and a revised schedule, by task, if changed from latest reported schedule

2. PROJECT COMPLETION REPORT

Project Completion Reports shall generally use the following format.

EXECUTIVE SUMMARY – Should include a brief summary of project information and include the following items:

- Brief description of work proposed to be done
- Description of actual work completed and any deviations from the work plan identified in the Funding Agreement

REPORTS AND/OR PRODUCTS – The following items should be provided

- Final Evaluation report
- Electronic copies of any data collected, not previously submitted
- As-built drawings
- Final geodetic survey information
- Project photos
- Discussion of problems that occurred during the work and how those problems were resolved
- A final project schedule showing actual progress versus planned progress

COSTS AND DISPOSITION OF FUNDS – A list of showing:

- The date each invoice was submitted to State
- The amount of the invoice
- The date the check was received
- The amount of the check (If a check has not been received for the final invoice, then state this in this section.)
- A summary of the payments made by the Funding Recipient for meeting its cost sharing obligations under this Funding Agreement.
- A summary of final funds disbursement including:
 - Labor cost of personnel of agency/ major consultant /sub-consultants. Indicate personnel, hours, rates, type of profession and reason for consultant, i.e., design, CEQA work, etc.
 - Evaluation cost information, shown by material, equipment, labor costs, and any change orders
 - Any other incurred cost detail

- A statement verifying separate accounting of funding disbursements
- Summary of project costs including the following items:
 - Accounting of the cost of project expenditures;
 - Include all internal and external costs not previously disclosed; and
 - A discussion of factors that positively or negatively affected the project cost and any deviation from the original project cost estimate.

ADDITIONAL INFORMATION – Any relevant additional Information should be included.

Exhibit G**REQUIREMENTS FOR DATA SUBMITTAL****Surface and Groundwater Quality Data:**

Groundwater quality and ambient surface water quality monitoring data that include chemical, physical, or biological data shall be submitted to the State as described below, with a narrative description of data submittal activities included in project reports, as described in Exhibit A.

Surface water quality monitoring data shall be prepared for submission to the California Environmental Data Exchange Network (CEDEN). The CEDEN data templates are available on the CEDEN website. Inclusion of additional data elements described on the data templates is desirable. Data ready for submission should be uploaded to your CEDEN Regional Data Center via the CEDEN website. CEDEN website: <http://www.ceden.org>.

If a project's Work Plan contains a groundwater ambient monitoring element, groundwater quality monitoring data shall be submitted to the State for inclusion in the State Water Resources Control Board's Groundwater Ambient Monitoring and Assessment (GAMA) Program Information on the GAMA Program can be obtained at:

https://www.waterboards.ca.gov/water_issues/programs/gama/. If further information is required, the Funding Recipient can contact the State Water Resources Control Board (SWRCB) GAMA Program. A listing of SWRCB staff involved in the GAMA program can be found at: https://www.waterboards.ca.gov/water_issues/programs/gama/contact.shtml.

Groundwater Level Data

For each project that collects groundwater level data, Funding Recipient will need to submit this data to DWR's Water Data Library (WDL), with a narrative description of data submittal activities included in project reports, as described in Exhibit E. Information regarding the WDL and in what format to submit data in can be found at: <http://www.water.ca.gov/waterdatalibrary/>.

In the near future, DWR's WDL will be replaced by the California Statewide Groundwater Elevation Monitoring program (CASGEM). Once this Program comes online Funding Recipient will then submit groundwater level data to CASGEM. Information regarding the CASGEM program can be found at: <http://www.water.ca.gov/groundwater/casgem/>.

Exhibit H**STATE AUDIT DOCUMENT REQUIREMENTS FOR FUNDING RECIPIENTS**

The following provides a list of documents typically required by State Auditors and general guidelines for Funding Recipients. List of documents pertains to both State funding and any associated Funding Recipient's expenditures and details the documents/records that State Auditors would need to review in the event of this Funding Agreement is audited. Funding Recipients should ensure that such records are maintained for at least three (3) years after final disbursement under this Agreement.

State Audit Document Requirements**Internal Controls**

1. Organization chart (e.g., Agency's overall organization chart and organization chart for the State funded Program/Project).
2. Written internal procedures and flowcharts for the following:
 - a) Receipts and deposits
 - b) Disbursements
 - c) State reimbursement requests
 - d) Expenditure tracking of State funds
 - e) Guidelines, policy, and procedures on State funded Program/Project
3. Audit reports of the Agency internal control structure and/or financial statements within the last two years.
4. Prior audit reports on the State funded Program/Project.

State Funding:

1. Original Funding Agreement, any amendment(s) and budget modification documents.
2. A listing of all bond-funded grants, loans, or subventions received from the State.
3. A listing of all other funding sources for each Program/Project.

Contracts:

1. All subcontractor and consultant contracts and related or partners' documents, if applicable.
2. Contracts between the Agency and member agencies as related to the State funded Program/Project.

Invoices:

1. Invoices from vendors and subcontractors for expenditures submitted to the State for payments under the Funding Agreement.
2. Documentation linking subcontractor invoices to State reimbursement, requests and related Funding Agreement budget line items.
3. Reimbursement requests submitted to the State for the Funding Agreement.

Cash Documents:

1. Receipts (copies of warrants) showing payments received from the State.
2. Deposit slips (or bank statements) showing deposit of the payments received from the State.

3. Cancelled checks or disbursement documents showing payments made to vendors, subcontractors, consultants, and/or agents under the grants or loans.
4. Bank statements showing the deposit of the receipts.

Accounting Records:

1. Ledgers showing entries for funding receipts and cash disbursements.
2. Ledgers showing receipts and cash disbursement entries of other funding sources.
3. Bridging documents that tie the general ledger to requests for Funding Agreement reimbursement.

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

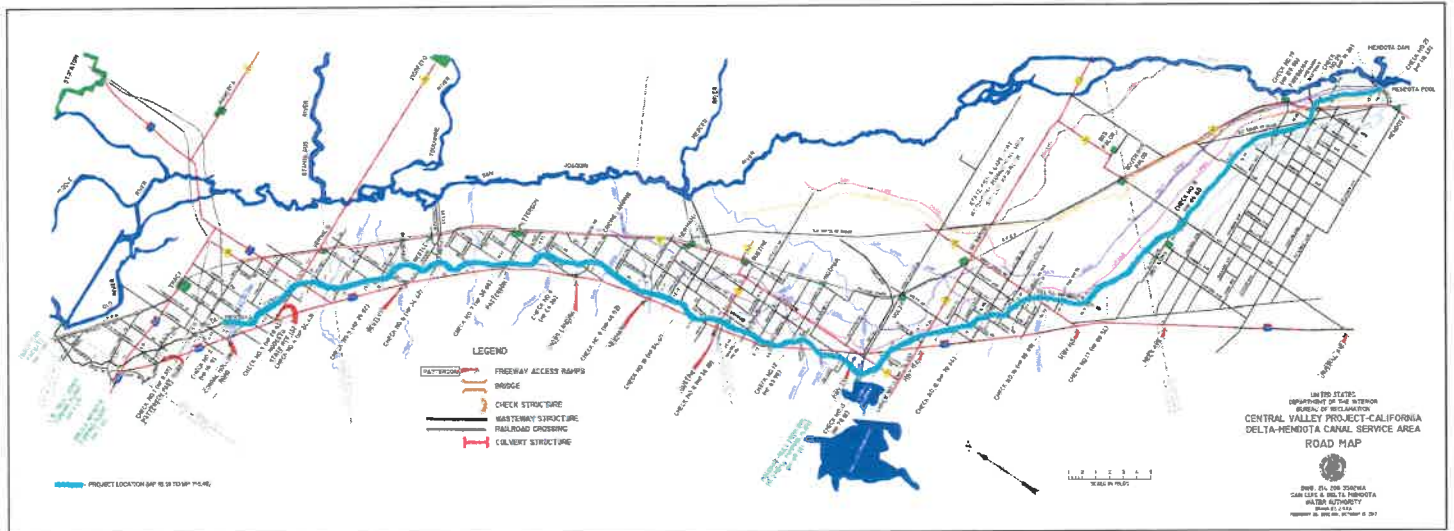
Personnel:

1. List of all contractors and Agency staff that worked on the State funded Program/Project.
2. Payroll records including timesheets for contractor staff and the Agency personnel who provided services charged to the program

Project Files:

1. All supporting documentation maintained in the project files.
2. All Funding Agreement related correspondence.

Exhibit I Project Location



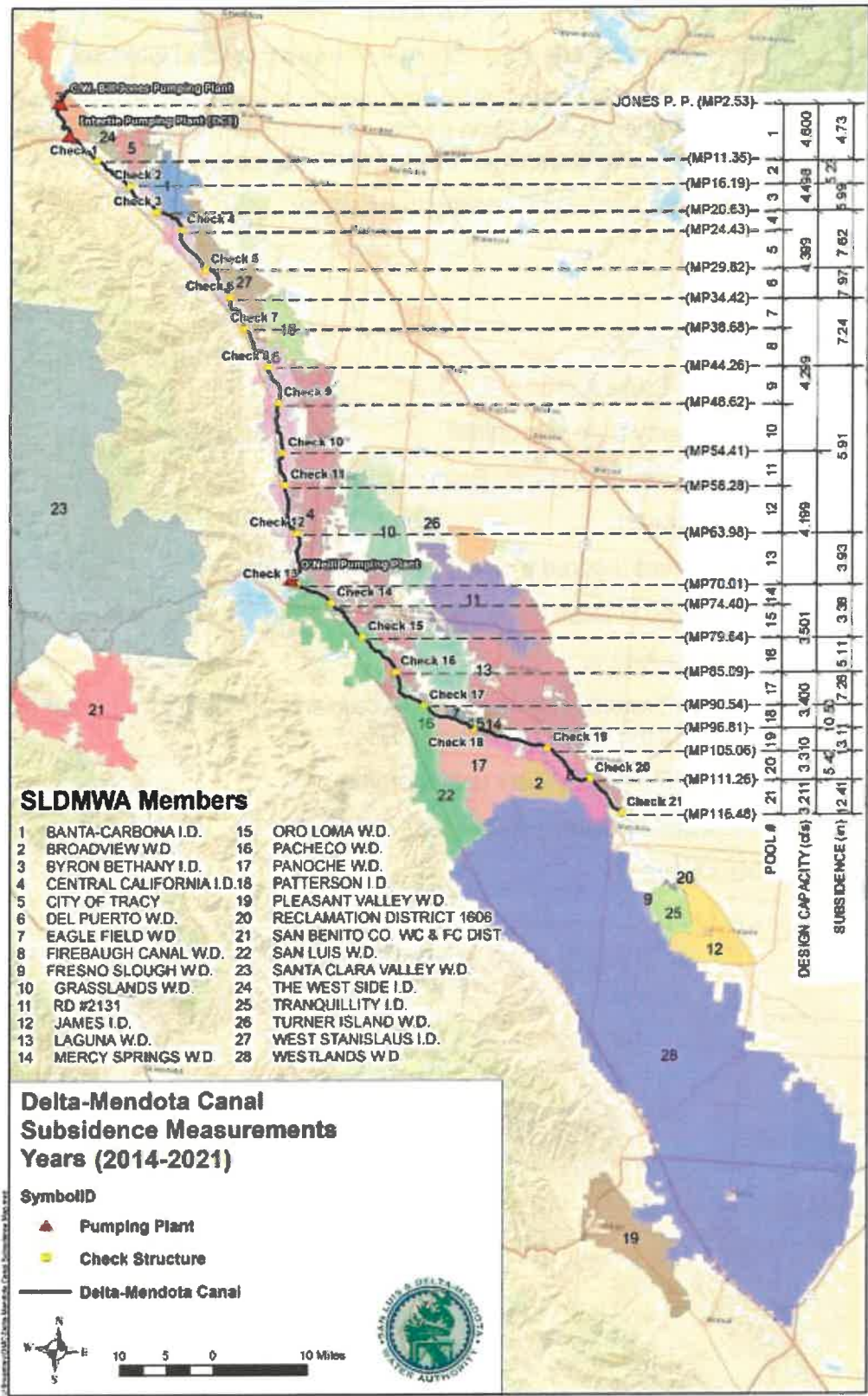


Exhibit J

Information Needed for Escrow Processing and Closure

The Funding Recipient must provide the following documents to the State Project Representative during the escrow process. Property acquisition escrow documents must be submitted within the term of this Funding Agreement and after a qualified appraisal has been approved.

- Name and Address of Title Company Handling the Escrow
- Escrow Number
- Name of Escrow Officer
- Escrow Officer's Phone Number
- Dollar Amount Needed to Close Escrow
- Legal Description of Property Being Acquired
- Assessor's Parcel Number(s) of Property Being Acquired
- Copy of Title Insurance Report
- Entity Taking Title as Named Insured on Title Insurance Policy
- Copy of Escrow Instructions in Draft Form Prior to Recording for Review Purposes
- Copy of Final Escrow Instructions
- Verification that all Encumbrances (Liens, Back Taxes, and Similar Obligations) have been Cleared Prior to Recording the Deed to Transfer Title
- Copy of Deed for Review Purposes Prior to Recording
- Copy of Deed as Recorded in County Recorder's Office
- Copy of Escrow Closure Notice

Exhibit K

APPRAISAL SPECIFICATIONS

For property acquisitions funded this Funding Agreement, the Funding Recipient must submit an appraisal for review and approval by the Department of General Services or DWR's Real Estate Branch prior to reimbursement or depositing State funds into an escrow account. All appraisal reports, regardless of report format, must include all applicable Appraisal Specifications below. Appraisals for a total compensation of \$150,000 or more shall be reported as a Self-Contained Appraisal Report. Appraisals for a total compensation of less than \$150,000 may be reported as a Summary Appraisal Report, which includes all information necessary to arrive at the appraiser's conclusion. Appraisal Specifications 14, 16, 21, 23-25, and 28 shall be narrative analysis regardless of the reporting format.

1. Title page with sufficient identification of appraisal assignment.
2. Letter of transmittal summarizing important assumptions and conclusions, value estimate, date of value and date of report.
3. Table of contents.
4. Assumptions and Limiting Conditions, Extraordinary Assumptions, and Hypothetical Conditions as needed.
5. Description of the scope of work, including the extent of data collection and limitations, if any, in obtaining relevant data.
6. Definition of Fair Market Value, as defined by Code of Civil Procedure, section 1263.320.
7. Photographs of subject property and comparable data, including significant physical features and the interior of structural improvements, if applicable.
8. Copies of Tax Assessor's plat map with the subject marked along with all contiguous assessor's parcels that depict the ownership.
9. A legal description of the subject property, if available.
10. For large, remote or inaccessible parcels, provide aerial photographs or topographical maps depicting the subject boundaries.
11. Three-year subject property history, including sales, listings, leases, options, zoning, applications for permits, or other documents or facts that might indicate or affect use or value.
12. Discussion of any current Agreement of Sale, option, or listing of subject property. This issue required increased diligence since state agencies often utilize non-profit organizations to quickly acquire sensitive-habitat parcels using Option Agreements. However, due to confidentiality clauses, the terms of the Option are often not disclosed to the state. If the appraiser discovers evidence of an Option or the possible existence of an Option, and the terms cannot be disclosed due to a confidentiality clause, then the appraiser is to cease work and contact the client.
13. Regional, area, and neighborhood analyses. This information may be presented in a summary format.
14. Market conditions and trends including identification of the relevant market area, a discussion of supply and demand within the relevant market area, and a discussion of the relevant market factors impacting demand for site acquisition and leasing within the relevant market area. This information may be presented in a summary format.

15. Discussion of subject land/site characteristics (size, topography, current use, elevations, zoning and land use issues, development entitlements, General Plan designation, utilities, offsite improvements, access, land features such as levees and creeks, offsite improvements, easements and encumbrances, covenants, conditions and restrictions, flood and earthquake information, toxic hazards, water rights, mineral rights, toxic hazards, taxes and assessments, etc.).
16. Description of subject improvements including all structures, square footage, physical age, type of construction, quality of construction, condition of improvements and/or identification of any permanent plantings. Discussion of construction cost methodology, costs included and excluded, accrued depreciation from all causes, remaining economic life, items of deferred maintenance and cost to cure, and incurable items. Construction cost data must include cost data source, date of estimate or date of publication of cost manual, section and page reference of cost manual, copies of cost estimate if provided from another source, replacement or reproduction cost method used, and supporting calculations including worksheets or spreadsheets.
17. Subject property leasing and operating cost history, including all items of income and expense.
18. Analysis and conclusion of the larger parcel for partial taking appraisals. For partial taking appraisals, Appraisal Specifications generally apply to the larger parcel rather than an ownership where the larger parcel is not the entire ownership.
19. Include a copy of a recent preliminary title report (within the past year) as an appraisal exhibit. Discuss the title exceptions and analyze the effect of title exceptions on fair market value.
20. For appraisals of partial takings or easements, a detailed description of the taking or easement area including surface features and topography, easements, encumbrances or improvements including levees within the subject partial take or easement, and whether the take area is characteristic of the larger parcel. Any characteristics of the taking area, including existing pre-project levees that render the take area different from the larger parcel must be addressed in the valuation.
21. Opinion of highest and best use for the subject property, based on an in depth analysis supporting the concluded use which includes the detail required by the complexity of the analysis. Such support typically requires a discussion of the four criteria of tests utilized to determine the highest and best use of a property. If alternative feasible uses exist, explain and support market, development, cash flow, and risk factors leading to an ultimate highest and best use decision.
22. All approaches to market value applicable to the property type and in the subject market. Explain and support the exclusion of any usual approaches to value.
23. Map(s) showing all comparable properties in relation to the subject property.
24. Photographs and plat maps of comparable properties.
25. In depth discussion of comparable properties, similarities and differences compared to the subject, adjustments to the comparable data, and discussion of the reliability and credibility of the data as it relates to the indicated subject property value. Improved comparable sales which are used to compare to vacant land subject properties must include an allocation between land and improvements, using methodology similar to methodology used in item 16 above to estimate improvement value when possible, with an explanation of the methodology used.
26. Comparable data sheets.
 - a) For sales, include information on grantor/grantee, sale/recordation dates, listed or asking price as of the date of sale, highest and best use, financing, conditions of sale, buyer motivation,

sufficient location information (street address, post mile, and/or distance from local landmarks such as bridges, road intersections, structures, etc.), land/site characteristics, improvements, source of any allocation of sale price between land and improvements, and confirming source.

- b) For listings, also include marketing time from list date to effective date of the appraisal, original list price, changes in list price, broker feedback, if available.
 - c) For leases, include significant information such as lessor/lessee, lease date and term, type of lease, rent and escalation, expenses, size of space leased, tenant improvement allowance, concessions, use restrictions, options, and confirming source. When comparing improved sales to a vacant land subject, the contributory value of the improvements must be segregated from the land value.
27. For appraisals of easements, a before and after analysis of the burden of the easement on the fee, with attention to how the easement affects highest and best use in the after condition. An Easement Valuation Matrix or generalized easement valuation references may be used ONLY as a reference for a secondary basis of value.
28. For partial taking and easement appraisals, valuation of the remainder in the after condition and analysis and identification of any change in highest and best use or other characteristics in the after condition, to establish severance damages to the remainder in the after condition, and a discussion of special and general benefits, and cost to cure damages or construction contract work.
29. There are occasions where properties involve water rights, minerals, or salable timber that require separate valuations. If an appraisal assignment includes water rights, minerals, or merchantable timber that requires separate valuation, the valuation of the water rights, minerals, or merchantable timber must be completed by a credentialed subject matter specialist.
30. For partial taking and easement appraisals, presentation of the valuation in California partial taking acquisition required format.
31. Implied dedication statement.
32. Reconciliation and final value estimate. Include analysis and comparison of the comparable sales to the subject, and explain and support conclusions reached.
33. Discussion of any departures taken in the development of the appraisal.
34. Signed Certification consistent with the language found in Uniform Standards of Professional Appraisal Practice.
35. If applicable, in addition to the above, appraisals of telecommunication sites must also provide:
- a) A discussion of market conditions and trends including identification of the relevant market, a discussion of supply and demand within the relevant market area and a discussion of the relevant market factors impacting demand for site acquisition and leasing within the relevant market area.
 - b) An analysis of other (ground and vault) leases comparable to subject property. Factors to be discussed in the analysis include the latitude, longitude, type of tower, tower height, number of rack spaces, number of racks occupied, placement of racks, power source and adequacy, back-up power, vault and site improvements description and location on site, other utilities; access, and road maintenance costs.



Official Memorandum

PO Box 2157
Los Banos, CA 93635
sldmwa.org

To: SLDMWA Finance & Administration Committee, Alternates
SLDMWA Board of Directors, Alternates

From: Pablo Arroyave, Chief Operating Officer
Jaime McNeil, Engineering Director

Date: June 1, 2026

RE: Adoption of Resolution Authorizing Execution of Mitigation Credit Purchase and Sale Agreement for the Delta-Mendota Canal Subsidence Correction Project and Related Expenditure of Up to \$1.2 Million

Background

The Delta-Mendota Canal (DMC) Subsidence Correction Project (Project) includes restoring the original design conveyance capacity of the DMC by raising the canal lining and embankments, as well as other structures such as bridges, overchutes, and pipe crossings. The DMC is one of the major components of the Delta Division of the U.S. Bureau of Reclamation's (Reclamation) Central Valley Project (CVP) and is considered critical infrastructure. The San Luis & Delta-Mendota Water Authority (Water Authority) and Reclamation are committed to restoring the original capacity to ensure the DMC can meet the needs of the communities and ecosystems reliant upon it.

The Water Authority and Reclamation completed environmental compliance for the Project through a joint National Environmental Policy Act (NEPA)/California Environmental Quality Act (CEQA) document, a joint Environmental Assessment/ Initial Study/Mitigated Negative Declaration. In February 2026, the Water Authority's Board of Directors adopted the Mitigated Negative Declaration for the Project, including CEQA Findings of Fact, and a Mitigation Monitoring Reporting Plan (MMRP) to require that all reasonably feasible mitigation measures be implemented by means of Project conditions, agreements, or other measures, as set forth in the MMRP. The Water Authority subsequently filed a Notice of Determination with the State Clearinghouse.

In addition to the joint NEPA/CEQA compliance, Reclamation and the Water Authority have engaged in interagency consultation in connection with the Project under Section 7(a)(2) of the Endangered Species Act, Section 106 of the National Historic Preservation Act, and other applicable requirements.

The U.S. Fish and Wildlife Service (USFWS) issued a biological opinion (BiOp) to Reclamation regarding the Project on February 17, 2026, in which the USFWS concluded that the Project, as proposed, is not likely to jeopardize the continued existence of the San Joaquin Kit Fox, California tiger salamander, or California red-legged frog. The BiOp includes conservation measures that were analyzed as part of the Project and are viewed by USFWS as necessary to minimize effects on the kit fox, salamander, and frog, including "the purchase of 3.49 acre of aquatic salamander and frog [mitigation] credits and 53.4 acre of upland salamander and frog credits (56.89 acres total) at a Service approved Conservation Bank," which "will be purchased prior to the start of proposed project activities." (2026 BiOp, p. 15.)



Reclamation and the Water Authority, in coordination with the USFWS, intend to implement a phased approach to the purchase of required mitigation credits to align with each phase of Project construction. This means that the total 56.89 acre purchase is not required prior to initiating the Project.

Construction work associated with Phase 1, Task 1 activities is scheduled to begin in June 2026, which requires prompt action to purchase salamander and frog mitigation credits.

Issues for Decision

Whether the Finance & Administration Committee should recommend, and the Board of Directors should authorize, adoption of resolution authorizing execution of a Mitigation Credit Purchase and Sale Agreement for the DMC Subsidence Correction Project including adoption of single source procurement justification and expenditure of up to \$1.2 million.

Recommendation

Staff recommends adoption of the proposed resolution.

Analysis

To enable the timely purchase of the mitigation credits necessary for Task 1 activities, Reclamation approached the Water Authority to assist in procurement, utilizing available nonreimbursable funds from California Department of Water Resources (DWR) and One Big Beautiful Bill Act (OBBBA) funding awards. Reclamation and the Water Authority researched available mitigation credits in mitigation banks service areas that encompass the Project, focusing on approved conservation banks with aquatic and upland salamander and frog mitigation credits that could be “stacked,” i.e. that allow the purchase of one acre of land that satisfies the credit obligation for two species.

The Regulatory in-Lieu Fee and Bank Information Tracking System (Ribits) was used to search for mitigation banks with aquatic and upland credits. Ribits shows the current status of mitigation banks. Ribits identified 21 mitigation banks with service areas that encompass the work associated with Task 1 activities. An approved mitigation bank must be used for mitigation for this project. Currently, there is one approved mitigation bank identified in the Project area that can currently supply the credits required prior to construction and possesses aquatic and upland salamander and frog mitigation credits that can be stacked. This leaves the Doolan Canyon Conservation Bank, located near the City of Dublin in Alameda County, as the sole source option.

Reclamation and the Water Authority negotiated the proposed Mitigation Credit Purchase and Sale Agreement (Agreement) with Natural Resources Group, Inc., the Bank Sponsor. Under the terms of the Agreement, the Water Authority would purchase up to 8.76 acres of upland salamander and frog credits and up to 1.22 acres of aquatic salamander and frog credits to compensate for the loss of California red-legged frog and California tiger salamander habitat, at the price of \$600,000 per aquatic and \$50,000 per upland acre. While the Agreement has been reviewed by staff and is near final, the final number of acres of upland and aquatic credits necessary prior to initiating construction of Task 1 is being finalized with USFWS and Reclamation, and it is possible that some edits may be required before the Agreement is finalized and executed. For this reason, in the resolution staff is requesting authorization to execute the Agreement in



substantial form, including, if necessary, to modify the Agreement to purchase the upland credits separately from the aquatic credits.

Budget Implications

The additional proposed expenditure of up to \$1.2 million would be funded utilizing existing FY2023 and FY2024 EO&M Funds, and then reimbursed by the DWR grant funds.

Attachments

1. Proposed Resolution Authorizing Execution of Mitigation Credit Purchase and Sale Agreement for the Delta-Mendota Canal Subsidence Correction Project and Related Expenditure of Up To \$1.2 Million
2. Proposed Mitigation Credit Purchase and Sale Agreement
3. Single Source Procurement Justification Form

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY

RESOLUTION NO. 2026-

**RESOLUTION AUTHORIZING EXECUTION OF MITIGATION CREDIT PURCHASE
AND SALE AGREEMENT FOR THE DELTA-MENDOTA CANAL SUBSIDENCE
CORRECTION PROJECT AND RELATED EXPENDITURE OF UP TO \$1.2 MILLION**

WHEREAS, the San Luis & Delta-Mendota Water Authority (“**Water Authority**”) is a transferred works operator responsible for the operation, maintenance, and replacement (“**OM&R**”) of certain Central Valley Project (“**CVP**”) facilities, including the Delta-Mendota Canal (“**DMC**”); and

WHEREAS, the Water Authority and the U.S. Bureau of Reclamation (“**Reclamation**”) have been pursuing the Delta-Mendota Canal Subsidence Correction Project (“**DMC Subsidence Correction Project**” or “**Project**”) to restore the original design conveyance capacity of the DMC by raising the canal lining and embankments, as well as other structures such as bridges, overchutes, and pipe crossings, to ensure the DMC can meet the needs of the communities and ecosystems reliant upon it; and

WHEREAS, the Water Authority and Reclamation completed environmental compliance for the Project through preparation of a joint National Environmental Policy Act (“**NEPA**”)/California Environmental Quality Act (“**CEQA**”) document, a joint Environmental Assessment/ Initial Study/Mitigated Negative Declaration; and

WHEREAS, in February 2026, via Resolution No. 2026-555, the Water Authority’s Board of Directors (“**Board**”) adopted the Mitigated Negative Declaration for the Project, including CEQA Findings of Fact, and a Mitigation Monitoring Reporting Plan (“**MMRP**”) to require that all reasonably feasible mitigation measures be implemented by means of Project conditions, agreements, or other measures, as set forth in the MMRP; and

WHEREAS, in addition to the joint NEPA/CEQA compliance, the Water Authority and Reclamation have engaged in interagency consultation in connection with the Project under Section 7(a)(2) of the Endangered Species Act (“**ESA**”), Section 106 of the National Historic Preservation Act, and other applicable requirements; and

WHEREAS, pursuant to the ESA, the U.S. Fish and Wildlife Service (“**USFWS**”) issued a biological opinion (“**BiOp**”) to Reclamation regarding the Project on February 17, 2026, in which the USFWS concluded that the Project, as proposed, is not likely to jeopardize the continued existence of the San Joaquin Kit Fox, California tiger salamander, or California red-legged frog; and

WHEREAS, the BiOp includes conservation measures that were analyzed as part of the Project and are viewed by USFWS as necessary to minimize effects on the kit fox, salamander, and frog, including the purchase of 3.49 acres of aquatic salamander and frog mitigation credits and 53.4 acres of upland salamander and frog credits (56.89 acres total) at a USFWS-approved

Conservation Bank, which will be purchased prior to the start of proposed project activities (2026 BiOp, p. 15); and

WHEREAS, Reclamation and the Water Authority, in coordination with the USFWS, intend to implement a phase approach to the purchase of required mitigation credits to align with each phase of the Project construction, which means that the total 56.89 acre purchase is not required prior to initiating the Project; and

WHEREAS, construction work associated with Phase 1, Task 1 activities is scheduled to begin in June 2026, which requires prompt action to purchase salamander and frog mitigation credits; and

WHEREAS, Section 1.1 of the Water Authority's Consolidated Procurement Policy, adopted by Resolution No. 2025-547 on August 7, 2025, requires the Board to specifically authorize contracts greater than \$200,000, and Section 2.3 requires the Water Authority make specific findings prior to executing a single source contract; and

WHEREAS, the Water Authority has negotiated a Mitigation Credit Purchase and Sale Agreement for the purchase of up to 8.76 acres of upland salamander and frog credits and up to 1.22 acres of aquatic salamander and frog mitigation credits, at the price of \$600,000 per aquatic and \$50,000 per upland acre; and

WHEREAS, single source procurement is justified as only Doolan Canyon Conservation Bank meets the Water Authority's needs for the Project, as described in **Attachment 1**; and

WHEREAS, the Credit Sale and Transfer Agreement will be funded utilizing existing FY2023 and FY2024 EO&M Funds, reimbursed by California Department of Water Resources ("DWR") grant funds; and

WHEREAS, the Credit Sale and Transfer Agreement is an administrative action that implements previously adopted and analyzed conservation measures and does not constitute a project under CEQA Guidelines section 15378.

NOW, THEREFORE, BE IT RESOLVED, AS FOLLOWS, THAT:

Section 1. The facts stated in the recitals above are true and correct, and the Board so finds and determines.

Section 2. The Board hereby authorizes the Executive Director or Chief Operating Officer to execute the Credit Sale and Transfer Agreement for Delta-Mendota Canal Subsidence Correction Project in substantially the form presented to the Board, subject to such additions, deletions, and other revisions as the said Executive Director or Chief Operating Officer shall approve prior to execution; adoption of single source procurement justification; and related expenditure of up to \$1.2 million utilizing existing FY2023 and FY2024 EO&M funds reimbursed by DWR grant funds.

Section 3. The Executive Director, Chief Operating Officer, and any Water Authority employees, consultants, or agents directed by the Executive Director or Chief Operating Officer

hereby are further authorized and directed to take such additional steps, and to execute such additional documents, as may be required or reasonably necessary or convenient for completing and implementing the activities authorized by this Resolution.

PASSED, APPROVED AND ADOPTED this 4th day of June, 2026, by the Board of Directors of the San Luis & Delta-Mendota Water Authority.

Cannon Michael, Chair
San Luis & Delta-Mendota Water Authority

Attest:

Federico Barajas, Secretary

I hereby certify that the foregoing Resolution No. 2026- [REDACTED] was duly and regularly adopted by the Board of Directors of the San Luis & Delta-Mendota Water Authority at the meeting thereof held on the 4th day of June, 2026.

Federico Barajas, Secretary

**NON-COMPETITIVE (SINGLE SOURCE)
PROCUREMENT JUSTIFICATION FORM**

Purchase of Mitigation Credits for the following:
F27-DMC-007A - Upland Credits
F27-DMC-007B - Aquatic Credits

Item/Service for single source procurement:

Selected vendor for the single source procurement:

Natural Resources Group, Inc.

Total Amount of Procurement including taxes:

F27-DMC-007A - \$438,000.00

F27-DMC-007B - \$762,000.00

Grand Total for F27-DMC-007A-B: \$1,200,000.00

Specification Number:

F27-DMC-007A-B

For any non-competitive (single source) procurement (except Professional services) over \$60,000, the Project Manager must complete this form and return it to the Procurement Department for review and procurement authorization. Attach additional pages of explanation if necessary. **A SINGLE SOURCE PROCUREMENT MAY NOT PROCEED UNTIL THE REQUIRED SIGNATORIES SIGN THIS FORM.** **NOTE:** For procurements below the Delegation of Authority threshold of \$200,000.00, Board approval is NOT required prior to award and can be approved by the Executive Director or COO. The Board must be notified promptly following award.

Section 1: Is this an emergency?

☐ Yes

☒ No (Skip to Section 2)

If yes, explain in detail below and no further Sections are required. If over the Delegation of Authority threshold of \$200k, a separate memo documenting the decision shall be prepared by the Project Manager for Board notification/approval.

Note: "Emergency" shall mean a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.

Explanation:

Section 2: Identify Type of Procurement

☒ Goods, Supplies, Equipment (See section 3)

☐ Non-Professional Services (See section 4)

☐ Construction (See section 5)

Section 3: Goods, Supplies, Equipment (See Section 2.3 in Procurement Policy)

1. Identify the most applicable criteria below, and provide detailed support in explanation area below

- ☐ i. A specified product is necessary to match or interface with other products in use by the Authority
- ☐ ii. The Authority needs to purchase a specified product to field test or experiment to determine the products suitability for future use.
- ☒ iii. Only one product will meet the Authority's needs.

Explanation:

Please refer to attached Memorandum to File dated May 12, 2026 which provides detailed explanation for the purchase of mitigation credits.

2. Is the product available from only one source? (To qualify for a single source, the product must be available from only one source)

☐ Yes ☐ No

Please explain how this determination was made. Note: Reasonable steps should be taken to confirm that the goods or supplies are purchased at a fair price. Include in explanation below.

Explanation:

Section 4: Non-Professional Services (See Section 3.1(b) in Procurement Policy)

Identify the most applicable criteria below and provide detailed support in explanation below.

- ☐ i. That only one firm or individual has the specialized expertise or experience necessary to perform the services, and other potential bidders cannot develop that experience or expertise prior to contract award.
- ☐ ii. The continuity of services is required to avoid risk of substantial loss or added expenditure to the Authority

Explanation:

Section 5: Construction (See Section 4.6 of the Procurement Policy)

Please identify ONE of the applicable justifications below by checking and providing explanation.

NOTE: If neither of the below circumstances exist, but the Executive Director or Chief Operation Officer recommends single-source construction contracting, then single source contracting may be used only following Board findings of circumstances indicating that competition does not exist and approval of single-source negotiations. CANNOT BE USED FOR PROJECTS UTILIZING FEDERAL FUNDS.

- ☐ 1. Where (i) a specified product is required, applying standards and (ii) only one contractor is authorized by the manufacturer or supplier to install the specified product, and (iii) the work for which only a single-source contractor is authorized and not work which reasonably would be expected to be subcontracted.
- ☐ 2. The Authority has conducted a competitive procurement for substantially similar construction services in the past five (5) years and only one actual or potential bidder for the services was identified.

Explanation:

3. If neither of the above apply, please provide an explanation to the Board as to why the Board should approve this Single-Source procurement.

Explanation:

Completed and Requested By

Project Manager (Name): Jacob Bejarano

Signature: _____ Date: _____

Department Manager (Name): Jaime McNeil

Signature: _____ Date: _____

Approved By

Chief Operating Officer: (Name): Pablo R. Arroyave

Signature: _____ Date: _____

May 12, 2026

Memorandum to File:

**Subject: Single Source Justification for Procurement of
Compensatory Mitigation Credits Required to Meet Endangered
Species Act, Delta-Mendota Canal Subsidence Correction Project
(Project)**

The following substantiates the Authority's determination that only a single source is available for purchase of mitigation credits required by the U.S. Fish and Wildlife Service (USFWS) biological opinion (BiOp) to Reclamation regarding the Project in the time in which the credits must be purchased to avoid delaying the Project.

The USFWS issued a BiOp to Reclamation regarding the Project on February 17, 2026, in which the USFWS concluded that the Project, as proposed, is not likely to jeopardize the continued existence of the San Joaquin Kit Fox, California tiger salamander, or California red-legged frog. The BiOp includes conservation measures that were analyzed as part of the Project and are viewed by USFWS as necessary to minimize effects on the kit fox, salamander, and frog. Relative to the present action, the BiOp requires "the purchase of 3.49 acre of aquatic salamander and frog [mitigation] credits and 53.4 acre of upland salamander and frog credits (56.89 acres total) at a Service approved Conservation Bank," which "will be purchased prior to the start of proposed project activities." (2026 BiOp, p. 15.)

Reclamation and the Water Authority, in coordination with the USFWS, intend to implement a phased approach to the purchase of required mitigation credits to align with each phase of Project construction. This means that the 56.89 acres purchase is not required prior to initiating the Project.

Construction work associated with Phase 1, Task 1 activities is scheduled to begin in June 2026, which requires prompt action to purchase the requisite 1.22 acres of aquatic salamander and frog mitigation credits and 8.76 acres of upland salamander and frog credits.

The project team has identified only a single source that carries both species' credits, is a Service-approved Conservation Bank, and has them available for purchase immediately to satisfy USFWS mitigation requirements. The source, Doolan Canyon Conservation Bank (DCCB) is a newly established 1168-acre conservation easement. The land supports threatened and endangered species such as the California red-legged frog, California tiger salamander, candidate species Western burrowing owl, and contains habitat suitable for the San Joaquin kit fox.

The Authority will seek approval to proceed with using the DCCB as its source for purchasing Mitigation Credits in the amount of \$438,000 (Four hundred thirty-eight

thousand Dollars) for Upland credits and \$762,000 (Seven hundred sixty-two thousand Dollars) for Aquatic credits, under two separate contracts, for the DMC Subsidence Correction Project.

This procurement qualifies for sole source determination under the Authority's Consolidated Procurement Policy based on the following findings:

- The required mitigation credits must be located within the same approved service area as defined by regulatory agencies.
- The mitigation credits must be obtained for the specific mitigation resource type required, such as seasonal wetlands and species-specific habitat.
- The mitigation credits must be at a Service-approved conservation Bank and available at the time of purchase to meet permitting conditions and requirements.

The Authority has been able to identify only one mitigation bank that satisfies all geographic, ecological, and regulatory requirements for the impacted area and has credits immediately available for purchase.

This directly meets the condition that "only one product will meet the Authority's needs" under Section 2.3(a)(1)(iii) of the Authority's Amended Consolidated Procurement Policy dated August 7, 2025.

Availability from Only One Source

For the specific credit types and service area associated with the Project mitigation, the required credits are available from a single qualified mitigation bank operator.

The Regulatory in-Lieu Fee and Bank Information Tracking System (Ribits) was used to search for mitigation banks with aquatic and upland credits. Ribits shows the current status of mitigation banks. Ribits identified 21 mitigation banks located in the USFWS Project Service Area. An approved mitigation bank must be used for mitigation for this project. Currently, only one approved mitigation bank identified in the Project Area can currently supply the credits required prior to construction. Doolan Canyon Conservation Bank, located near the City of Dublin in Alameda County, is the sole source option.

This satisfies the requirement that "the product is available from only one source" under Section 2.3(a)(2) of the Authorities Amended Consolidated Procurement Policy dated August 7, 2025.

Specialized Expertise and Regulatory Constraints

To the extent the acquisition is characterized as a service, the procurement also meets the criteria under Section 3.1(b), as follows:

The DCCB mitigation bank sponsor/operator possesses unique regulatory approvals from USFWS that will allow mitigation credits to be stacked. This means that by buying credits from DCCB, the Project would purchase one (1) acre for both (frog and salamander) species, effectively reducing the number of required mitigation acres in half. From a regulatory standpoint, other banks in the same service area cannot develop equivalent capacity or obtain the required approvals in time for construction to commence.

This satisfies the condition that only one firm possesses the specialized capability required under the Authority's Procurement Policy. It also supports cost-reasonableness.

Compliance with Policy

This sole source procurement of compensatory mitigation credits from DCCB is in full compliance with policy and requirements due to the following:

Meets the documented findings required for single source procurement. Will be executed with written approval from the Executive Director or Chief Operating Officer. Will be reported to the Board and approved in accordance with the Authority's procurement policy requirements.

Determination

Based on the findings above, it is determined that the procurement of compensatory mitigation credits from DCCB for the DMC Subsidence Correction Project through a sole source method is justified, necessary, and compliant with the Authority's procurement policy.



Official Memorandum

PO Box 2157
Los Banos, CA 93635
sldmwa.org

To: SLDMWA Board of Directors, Alternates
SLDMWA Finance & Administration Committee, Alternates

From: Ray Tarka, Director of Finance

Date: June 1, 2026

RE: Adoption of Resolution Updating Banking Relationship with and Signature Requirements for Community West Bank and Superseding Resolution No. 2020-473

Background

In 2020, the Water Authority adopted a resolution that updated the authorization for the Water Authority's banking relationship with Central Valley Community Bank to increase the combined limit for cash management services and the business Visa credit cards, and consolidated that authorization with the signature requirements for Central Valley Community Bank. The maximum dollar amount (ACH limit) was increased to \$500,000, with a \$125,000 limit for business Visa cards, for a total limit of \$625,000. At that time the ACH limit of \$500,000 was primarily used for payroll processing. ACH payments are now required by several of our vendors, and there is a need to increase the ACH limit to allow accounts payable transactions in addition to payroll.

On April 1, 2024, Central Valley Community Bancorp completed an all-stock merger with Community West Bancshares. Under the terms of the merger, the combined entity adopted the name of Community West Bank.

Issue for Decision

Whether the Finance & Administration Committee should recommend, and the Board of Directors should adopt, the Resolution Updating Banking Relationship with and Signature Requirements for Community West Bank and Superseding Resolution No. 2020-473.

Recommendation

Staff recommends adoption of the draft resolution superseding Resolution No. 2020-473 and updating the banking relationship with and signature requirements for Community West Bank.

Analysis

The proposed resolution is necessary to update the banking relationship to reflect the current name of the bank, Community West Bank. In addition, the resolution would indicate that account transactions can be accomplished by ACH, in addition to remote deposit capture, deposit, check, wire transfers, and online cash management, to reflect vendor practice. Finally, the resolution would add the Chief Strategy and Administrative Officer position to the list of authorized check-signers (for the general checking and payroll checking accounts).



Attachment

Draft Resolution Updating Banking Relationship with and Signature Requirements for Community West Bank and Superseding Resolution No. 2020-473

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY

RESOLUTION NO. 2026-

**RESOLUTION UPDATING BANKING RELATIONSHIP WITH AND SIGNATURE
REQUIREMENTS FOR COMMUNITY WEST BANK AND SUPERSEDING
RESOLUTION NO. 2020-473**

WHEREAS, the Board of Directors of the San Luis & Delta-Mendota Water Authority (the “Board” and the “Water Authority,” respectively), pursuant to the Water Authority’s procedures and the California Government Code, from time to time, may adopt policy for the administration of the Water Authority; and

WHEREAS, on or about November 5, 2020, the Board adopted Resolution No. 2020-473, which updated the authorization for the Water Authority’s banking relationship with Central Valley Community Bank to increase the combined limit for cash management services and the business Visa credit cards, and consolidated that authorization with the signature requirements for Central Valley Community Bank; and

WHEREAS, the Board now seeks to update the authorization for its banking relationship with Community West Bank to increase the combined limit for cash management services and the business Visa credit cards, and to consolidate that authorization with the signature requirements for Community West Bank; and

WHEREAS, the Board, by adoption of this Resolution, desires to supersede Resolution No. 2020-473 and memorialize the current banking relationship with and signature requirements for Community West Bank.

NOW, THEREFORE, BE IT RESOLVED, AS FOLLOWS, THAT:

Section 1. The facts stated in the recitals above are true and correct, and the Board so finds and determines.

Section 2. Resolution No. 202-473 is hereby superseded, which supersession is not intended to and shall not affect the validity of any actions previously taken under that resolution.

Section 3. Water Authority officials and employees are hereby authorized and directed to conduct banking services and with Community West Bank, including a general checking account, payroll checking account, additional savings accounts, cash management services, and issuance of business Visa credit cards, with a combined maximum for cash management services and business Visa credit cards of \$625,000; and any other services deemed necessary or desirable by the Executive Director or Treasurer.

Section 4. Account transactions shall be accomplished by remote deposit capture, deposit, check, ACH, wire transfers, and online cash management.

Section 5. Checks written on the Water Authority general checking account at Community West Bank shall be issued on two (2) original signatures, being any two (2) of the following: the Chair of the Board, Vice Chair of the Board, Executive Director, Chief Operating Officer, Chief Strategy and Administrative Officer, Treasurer/Auditor, Director of Finance, or Director of Human Resources; provided, however, that each check shall have at least one (1) original signature. The second signature may be either an original signature or countersigned with a facsimile stamped signature of the Executive Director or the Chief Operating Officer.

Section 6. Checks written on the Water Authority payroll checking account at Community West Bank shall be issued on two (2) signatures, being any two (2) of the following: Chair of the Board, Vice Chair of the Board, Executive Director, Chief Operating Officer, Chief Strategy and Administrative Officer, Treasurer/Auditor, Director of Finance, or Director of Human Resources; provided, however, that each check shall have at least one (1) original signature. The second signature may be either an original signature or countersigned with a facsimile stamped signature of the Executive Director or the Chief Operating Officer.

Section 7. The provisions of any form of resolution prescribed by Community West Bank for adoption by the Water Authority to implement the actions authorized by this Resolution are hereby adopted and incorporated herein by reference as though fully set forth herein.

Section 8. The Executive Director and the Treasurer/Auditor, or either of them, are each further authorized and directed to take any and all such additional actions, including without limitation, the execution of documents, as may be required or reasonably necessary to carry out the intention of this Resolution and this Resolution is hereby ratified and confirmed as the duly authorized action of the Water Authority.

PASSED, APPROVED AND ADOPTED this 4th day of June, 2026, by the Board of Directors of the San Luis & Delta-Mendota Water Authority.

Cannon Michael, Chair
San Luis & Delta-Mendota Water Authority

Attest:

Federico Barajas, Secretary

I hereby certify that the foregoing Resolution No. 2026- was duly and regularly adopted by the Board of Directors of the San Luis & Delta-Mendota Water Authority at the meeting thereof held on the 4th day of June, 2026.

Federico Barajas, Secretary



Official Memorandum

PO Box 2157
Los Banos, CA 93635
sldmwa.org

To: SLDMWA Water Resources and Finance and Administration Committee Members and Alternates
SLDMWA Board of Directors, Alternates

From: Scott Petersen, Chief Strategic and Administrative Officer

Date: June 1, 2026

RE: Recommendation to Board of Directors to Authorize Amendments to Task Orders with Stantec, Inc.
and Related Expenditure of \$139,500 from the FY27 Leg Ops and OM&R Budgets

Background

The San Luis & Delta-Mendota Water Authority ("Water Authority") has budgeted for a vacant position for a Water Resources Engineer for several years, with multiple attempts at recruiting to fill this position being unsuccessful, for a variety of factors. The Water Authority requires assistance with real-time operations support, water supply analyses, modeling support, and other water resources technical support.

In May, the Water Authority executed a Professional Services Agreement with Stantec, Inc. (Stantec) with two Task Orders, under delegated authority and consistent with the Water Authority's Procurement Policy:

- Task Order 1: Real Time Operations Monitoring and Annual Report of Central Valley Project Operations - \$15,500 (Fund 01, through June 28, 2026)
- Task Order 2: On-Call Water Resources Support - \$70,000 (Fund 05, through February 28, 2027)

Staff now seeks to extend Task Order 1 for the remainder of Fiscal Year 2027, which will place the total contract value over the \$200,000 threshold for Board action.

Issue for Decision

Whether the Water Resources and Finance and Administration Committees should recommend the execution of an amended Task Order with Stantec in the amount of \$139,500 to add (1) \$124,000 to Task Order 1 from Fund 01, and (2) a time extension through the end of Fiscal Year 2027 to provide Real-Time Operations Monitoring and an Annual Report of Central Valley Project Operations.

Recommendation

Staff recommends that the Committees recommend, and the Board authorize, execution of amended Task Orders with Stantec and related expenditures.

Analysis

Stantec is a recognized leader in water resources engineering consulting support, with substantial experience in water operations modeling and biological modeling associated with the Central Valley Project and State Water Project for a wide variety of agencies, including Reclamation, DWR, and water districts



throughout California. Stantec is technically qualified and has the experience needed to perform these services for the Water Authority.

Budget Implications

The Water Authority's Fiscal Year 2027 budget included \$185,200 in Fund 01 (OM&R) for salary and benefits associated with the Water Resources Engineer position. The Water Authority has executed an interim contract with Stantec for the services that would be performed by the in-house Water Resources Engineer through June 28, 2026.

There are sufficient funds in the OM&R budget through utilization of the Water Resources Engineer funds to support this contract extension without the need for a budget adjustment.

Attachments

- (1) Draft Amendment to Task Order 046-F27-AA05-TO001
- (2) Redlined Amended Task Order 046-F27-AA05-TO001
- (3) Task Order 046-F27-AA05-TO002

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY

**FIRST AMENDMENT TO AGREEMENT
FOR PROFESSIONAL SERVICES**

FOR

Real-Time Operations Monitoring and Annual Report of CVP Operations

Agreement No.: 046-F27-AA05-TO001

This First Amendment to Agreement No. 046-F27-AA05-TO001 is made and entered into effective June 8, 2026 by and between San Luis & Delta-Mendota Water Authority (“SLDMWA”) and Stantec, Inc. (“Consultant”).

WHEREAS, on May 27, 2026, SLDMWA and Consultant entered into a Task Order Agreement Whereby Consultant would perform Technical Support Services; and

WHEREAS, the parties now agree that a First Amendment to said Task Order Agreement is advisable;

NOW, THEREFORE, THE PARTIES ENTER INTO THIS FIRST AMENDMENT TO AGREEMENT WITH THE CHANGES OUTLINED BELOW:

1. Increase Task 1.1 – Forecast and Operations Monitoring and Annual Summary total budget maximum by \$124,000 and extend time from June 28, 2026 to February 28, 2027
 - a. From: \$15,500
 - b. To: \$139,500
 - c. From: June 28, 2026
 - d. To: February 28, 2027

All other tasks, terms and conditions on original agreement remain unchanged.

IN WITNESS WHEREOF, this Amendment has been executed by and on behalf of the parties hereto, the day, month and year so indicated above. If Consultant is a corporation, partnership or limited liability company, documentation must be provided that the person signing below for Consultant has the authority to do so and to so bind Consultant to the terms of this Agreement.

<u>Consultant</u>	<u>San Luis & Delta-Mendota Water Authority</u>
By: _____ Jeffrey T. Payne Senior Principal Water Resources Engineer Stantec, Inc.	By: _____ J. Scott Petersen Chief Strategic and Administrative Officer San Luis & Delta-Mendota Water Authority

Real-Time Operations Monitoring and Annual Report of Central Valley Project Operations
Detailed Scope of Work
Task Order 046-F27-AA05-TO001

The San Luis & Delta Mendota Water Authority ("Authority") has a longstanding staffing vacancy for a water resources engineer. Internally, such a role would support the monitoring of state-wide water supply conditions, forecasting, and daily Delta Export decisions; and performing analyses for the purpose of informing discussions with Reclamation and its Board of Directors.

This Task Order is intended to provide technical support to supplement Authority staff capacity. This Task Order also includes capacity for associated project management, including project coordination, project accounting, and invoicing.

Services described herein assume timely access to data, direction, and coordination from Authority staff. Services do not include expert testimony, litigation support, or regulatory compliance documentation unless authorized under a separate task order or written amendment.

TASK 1.1 – Forecast and Operations Monitoring and Annual Summary

For this task, Stantec will not charge for services based on hourly rates. Rather, Stantec would provide the following services to backstop informational shortages for a monthly fee of \$15,500.

- **Forecast evaluations.** This product includes an evaluation of Reclamation forecasts, when issued, with as-needed analyses and formulation of alternatives scoped in coordination with Authority staff. This product is likely to be active between December and June. Deliverables may include written memoranda, briefing materials, or verbal briefings summarizing forecast implications for Authority operations.
- **Weekly operations tracking.** This product would be year-long, being most active during the forecasting and Delta entrainment season (January through May)
 - Attendance of weekly ops calls, as assigned by Authority staff, and meeting notes,
 - Calculation of the water supply costs of policy decisions,
 - Review of COA accounting decisions,
 - Weekly summaries of key decisions, constraints, and items to watch.
 - Monthly reporting at Authority Water Resources Committee

Estimates of water supply costs will be performed at a planning level using available data and assumptions coordinated with Authority staff.

- **Annual operations summary.** This product evaluates CVP South of Delta operational objectives, with a focus on Delta exports, and characterizes past year operational outcomes relative to those objectives. The purpose of this report is to identify how closely the past year's operations were aligned with Authority objectives and to assist with the identification of areas for improvement. The report may, depending on direction of Authority staff, be separated into an open and closed session report to allow for candid technical discussion of operational decisions where appropriate. The annual summary will be provided in draft form for Authority review prior to finalization.

- **Maintenance of Graphic Visualization of Operational Regulations.** Through a separate task Stantec will create a dashboard to assist the Authority with tracking of time-bound representation of operational restrictions on Central Valley Project and State Water Project operations. Once established, the routine maintenance and upkeep of this dashboard will be conducted under this task.

Basis for Payment: Monthly retainer (“Fixed Fee”), upon receipt of invoice and deliverables.

Stantec will invoice the Authority on or about the 15 of each month for the monthly Fixed Fee, and the Authority will pay the monthly Fixed Fee within 30 days after receiving the invoice.

The monthly Fixed Fee may be higher or lower than the monthly fees the Authority would have incurred had it agreed to pay fees based on hourly rates. The parties anticipate that such variances will even out over the longer term. However, if the volume of professional services required by the Authority within a year varies materially from the projections on which the Fixed Fee was based, the parties will confer regarding potential adjustments, with the objective of ensuring that the fee arrangement remains fair and reasonable for both parties. Parties agree to meet at least annually to review the fee arrangement.

Budget Maximum: \$~~15,500~~139,500

Estimate of Time Schedule: May 28, ~~2026~~ – ~~June 28, 2026~~February 28, 2027

SLDMWA Project Lead: J. Scott Petersen scott.petersen@sldmwa.org

Consultant Project Lead: Jeff Payne jeff.payne@stantec.com

Special Instructions: (1) All invoices should be sent to Project Lead, as well as Felicia Luna at accounts.payable@sldmwa.org pursuant to Article 6 of Exhibit B to the Agreement; (2) All invoices shall reference: “**046-F27-AA05-TO001 Real-Time Operations Monitoring**”.

Accepted:

San Luis & Delta-Mendota Water Authority	Consultant
By: _____ J. Scott Petersen Chief Strategic and Administrative Officer San Luis & Delta-Mendota Water Authority Date: _____	By: _____ Jeffrey T. Payne Senior Principal Water Resources Engineer Stantec, Inc. Date: _____

**On-Call Water Resources Technical Support
Detailed Scope of Work
Task Order 046-F27-AA05-TO002**

The San Luis & Delta Mendota Water Authority ("Authority") has an irregular and unscheduled need for technical support. Areas where support is needed include, but are not limited to, the assessment of operations conditions, outcomes of alternative decisions or regulatory conditions, and evaluation of fisheries and other monitoring data to assess risk.

Services described herein assume timely access to data, direction, and coordination from Authority staff. Services do not include expert testimony, litigation support, or regulatory compliance documentation unless authorized under a separate task order or written amendment. Costs include associated project management, coordination, accounting, and invoicing for this task order.

Task 2.1 Prototype Tool Development – Allocation Forecast Modernization

Stantec will review existing Bureau of Reclamation Central Valley Project allocation methodology, provide recommendations to modernize water allocations to be more responsive to real-time conditions, with a goal of real-time allocations.

Stantec will develop, in coordination with Authority consultants, member agency staff and consultants, and Reclamation, and under direction of Authority staff, an allocation tool prototype with sufficient resolution to determine proof of concept for future scaling and improved resolution.

Deliverable: Prototype Tool or Technical Memorandum describing the tasks necessary to develop such a tool, with more detailed cost estimate.

TASK 2.2 – Prototype Tool Development - Operations Visualization Tool

Stantec will develop, in coordination with and under direction of Authority staff, an automated web-based visualization tool that portrays current conditions relevant to both water supply and biological triggers (e.g., reservoir levels and progress towards facility restriction triggers) using publicly available information, and logs operations decisions by Reclamation and DWR/CDFW. It is anticipated that this dashboard will be hosted or capable of being displayed on the Authority website as a product of the Authority.

Deliverable: Prototype Tool or Technical Memorandum describing the tasks necessary to develop such a tool, with more detailed cost estimate.

TASK 2.3 – On-Call Technical Support (Hydrology, Operations, and Ecosystem analyses)

Products for this task include technical analyses, preparation of communications materials appropriate for a variety of audiences, and participation in meetings to convey information and answer questions.

Support is expected to include at a minimum CalSim, DSM2, and PTM modeling tools, but may also include any of the modeling tools used in the recent formulation of Action 5. Analyses may include screening level or decision support analyses and exploratory modeling depending on the nature of the request and available schedule. Turnaround times and scope for individual modeling requests will be coordinated in advance with Authority staff.

TASK 2.4 – Science Implementation Plan Technical Support

In support of its Strategic Plan, SLDMA is developing a Science Plan to support implementation plans that span its interrelated science, policy and communications goals.

Products for this task include as-needed assistance to SLDMWA for the development and review of its 2026 Science Implementation Plan.

Basis for Payment: Time and Materials, upon receipt of Invoice and Deliverables, pursuant to Rates and expenses in the Master Services Agreement.

Budget Maximum: Each Task under this Task Order are subject to a Not to Exceed amount as shown below.

Task 2.1 Not to Exceed – \$15,000

Task 2.2 Not to Exceed – \$15,000

Task 2.3 Not to Exceed – \$30,000

Task 2.4 Not to Exceed - \$10,000

Estimate of Time Schedule: June 8, 2026 – February 28, 2027

SLDMWA Project Lead: J. Scott Petersen scott.petersen@sldmwa.org

Consultant Project Lead: Jeff Payne jeff.payne@stantec.com

Special Instructions: (1) Consultant will bill SLDMWA on a time and materials basis; (2) All invoices should be sent to Project Lead, as well as Felicia Luna at accounts.payable@sldmwa.org pursuant to Article 6 of Exhibit B to the Agreement; (3) All invoices shall reference: **“046-F27-AA05-TO002 On-Call Water Resources Support”**.

Accepted:

<u>San Luis & Delta-Mendota Water Authority</u>	<u>Consultant</u>
By: _____ J. Scott Petersen Chief Strategic and Administrative Officer San Luis & Delta-Mendota Water Authority	By: _____ Jeffrey T. Payne Senior Principal Water Resources Engineer Stantec, Inc.
Date: _____	Date: _____

San Luis & Delta-Mendota Water Authority

Activity Agreements Budget to Actual

Paid/Pending Comparison Summary

March 1, 2026 through April 30, 2026

FAC 6/1/26 & BOD 6/4/26

		FY Budget 3/1/26 - 2/28/27	Actual To Date Paid/Expense	% of Budget	Amount Remaining
03	General Membership	1,463,764	198,442	13.56%	1,265,322
05	Leg/CVP Operations	4,189,452	236,667	5.65%	3,952,785
22	Grassland Basin Drainage #3A	1,540,677	184,758	11.99%	1,355,919
67	Integrated Regional Water Management	66,593	1,092	1.64%	65,501
44	Exchange Contractors - 5 Year Transfer	21,764	1,192	5.48%	20,572
57	North to South Water Transfer Program	86,721	11,449	13.20%	75,272
58	Long-Term Yuba County Water Transfers	15,433	0	0.00%	15,433
69	B.F. Sisk Dam Raise & Reservoir Exp	4,319,976	83,123	1.92%	4,236,853
16	DHCCP	195	16	8.18%	179
TOTAL		11,704,575	716,738	6.12%	10,987,837
		2/12 X 117,04,575	\$ 1,950,763	16.67%	
		Budget vs. Actual	<u>1,234,025</u>		

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
ACTUAL EXPENSE - PAID
ACTIVITY AGREEMENTS BUDGET TO ACTUAL
Report Period 3/1/26 - 4/30/26
FAC 6/1/26

030522674457586916

FAC 6/1/26		Actual to Date Paid/Expense Detail by Fund									
Direct Expenses		Total	General Membership (03)	Leg Ops (05)	GBD Dr #3A (22)	IRWM (67)	Exchange Contractor 5 Year Transfer (44)	North to South Water Transfers (57)	Long Term Yuba County Water Transfer (58)	B.F.Sisk Dam Raise & Reservoir Expansion Proj (69)	DHCCP (16)
Legal:											
Kronick Moskovitz et al		\$ 93,758		\$ 93,758				\$ -			
Kronick Moskovitz et al (annual costs)		\$ 1,372		\$ 1,372				\$ -			
Pioneer Law Group/ Matarazzo		\$ 853		\$ 265				\$ 588			
Baker Manock & Jensen		\$ -				\$ -					
Misc. Legal Support		\$ -			\$ -					\$ -	
Technical Legal Support		\$ -		\$ -				\$ -			
Legal Contingency		\$ -		\$ -							
Sub Total		\$ 95,982	\$ -	\$ 95,394	\$ -	\$ -	\$ -	\$ 588	\$ -	\$ -	\$ -
Technical:											
Grant Program		\$ 10,000		\$ 10,000							
Science Program		\$ 13,493		\$ 13,493							
Previous Technical Project Commitment		\$ -		\$ -							
Technical Contingency		\$ -		\$ -							
Sub Total		\$ 23,493	\$ -	\$ 23,493	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legislative Advocacy/Public Information Representation:											
Federal Representation		\$ -		\$ -							
State Representation		\$ -		\$ -							
Public Information / Communication		\$ 35,151	\$ 35,151								
Sub Total		\$ 35,151	\$ 35,151	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Professional Services:											
SGMA Services		\$ -									
Integrated Regional Water Management		\$ 909				\$ 909					
Mizuno Consulting		\$ 6,000					\$ 1,031	\$ 4,969	\$ -		
Additional BF Sisk Dam Raise Commitment****		\$ 71,056								\$ 71,056	
Sub Total		\$ 77,965	\$ -	\$ -	\$ -	\$ 909	\$ 1,031	\$ 4,969	\$ -	\$ 71,056	\$ -
Grassland Basin Drainage:											
GBD Specific		\$ 75,256			\$ 75,256						
New UA Mud Slough Mitigation		\$ -			\$ -						
Biological Monitoring		\$ 25,536			\$ 25,536						
Groundwater WDR Specific		\$ 82,653			\$ 82,653						
Sub Total		\$ 183,445	\$ -	\$ -	\$ 183,445	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER:											
Executive Director		\$ 66,201	\$ 33,216	\$ 32,985							
Executive Secretary		\$ 11,168	\$ 5,584	\$ 5,584							
General Counsel		\$ 67,056	\$ 53,274	\$ 9,820				\$ 137		\$ 3,825	
Water Policy Director		\$ 55,831	\$ 24,999	\$ 30,664		\$ 167					
Special Programs Manager		\$ 19,248	\$ 8,360	\$ 10,206				\$ 683			
Deputy General Counsel		\$ 36,516	\$ 11,087	\$ 22,342	\$ 889		\$ -	\$ 2,198	\$ -		
In-House Staff		\$ 17,403	\$ 3,237	\$ 2,434	\$ 424	\$ 16	\$ 160	\$ 2,875	\$ -	\$ 8,242	\$ 16
Law Policy Clerk		\$ -		\$ -							
Los Banos Administrative Office (LBAO)		\$ -	\$ -								
Dissolved Oxygen Aerator		\$ -		\$ -	\$ -						
Other Services & Expenses		\$ 510	\$ 408	\$ 102							
License & Continuing Education		\$ 715	\$ 572	\$ 143							
Organizational Membership		\$ 19,000	\$ 19,000								
Conferences & Training		\$ 1,565	\$ 593	\$ 973							
Travel/Mileage		\$ 4,745	\$ 2,504	\$ 2,240		\$ -				\$ -	
Group Meetings		\$ 322	\$ 151	\$ 171		\$ -					
Telephone		\$ 421	\$ 306	\$ 115							
Sub Total		\$ 300,702	\$ 163,291	\$ 117,780	\$ 1,313	\$ 183	\$ 160	\$ 5,892	\$ -	\$ 12,067	\$ 16
Total Expenditures		\$ 716,738	\$ 198,442	\$ 236,667	\$ 184,758	\$ 1,092	\$ 1,192	\$ 11,449	\$ -	\$ 83,123	\$ 16

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
AMOUNT REMAINING
ACTIVITY AGREEMENTS BUDGET TO ACTUAL
Report Period 3/1/26 - 4/30/26
FAC 6/1/26

030522674457586916

Amount Remaining Detail by Fund										
Direct Expenses	Total	General Membership (03)	Leg Ops (05)	GBD Dr #3A (22)	IRWM (67)	Exchange Contractor 5 Year Transfer (44)	North to South Water Transfers (57)	Long Term Yuba County Water Transfer (58)	B.F. Sisk Dam Raise & Reservoir Expansion Proj (69)	DHCCP (16)
Legal:										
1 Kronick Moskovitz et al	\$ 856,242		\$ 836,242				\$ 20,000			
2 Kronick Moskovitz et al (annual costs)	\$ 6,628		\$ 5,628				\$ 1,000			
3 Pioneer Law Group/ Matarazzo	\$ 114,147		\$ 64,735				\$ 49,412			
4 Baker Manock & Jensen	\$ 1,000				\$ 1,000					
5 Misc. Legal Support	\$ 200,000			\$ 20,000					\$ 180,000	
6 Technical Legal Support	\$ 152,500		\$ 150,000				\$ 2,500			
7 Legal Contingency	\$ 250,000		\$ 250,000							
Sub Total	\$ 1,580,518	\$ -	\$ 1,306,606	\$ 20,000	\$ 1,000	\$ -	\$ 72,912	\$ -	\$ 180,000	\$ -
Technical:										
8 Grant Program	\$ 50,000		\$ 50,000							
9 Science Program	\$ 647,507		\$ 647,507							
10 Previous Technical Project Commitment	\$ 339,000		\$ 339,000							
11 Technical Contingency	\$ 200,000		\$ 200,000							
Sub Total	\$ 1,236,507	\$ -	\$ 1,236,507	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legislative Advocacy/Public Information Representation:										
12 Federal Representation	\$ 480,000		\$ 480,000							
13 State Representation	\$ 249,000		\$ 249,000							
14 Public Information / Communication	\$ 318,689	\$ 318,689								
Sub Total	\$ 1,047,689	\$ 318,689	\$ 729,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Professional Services:										
15 Integrated Regional Water Management	\$ 34,091				\$ 34,091					
16 Mizuno Consulting	\$ 19,000					\$ 8,969	\$ 31	\$ 10,000		
17 Additional BF Sisk Dam Raise Commitment***	\$ 3,928,944								\$ 3,928,944	
Sub Total	\$ 3,982,036	\$ -	\$ -	\$ -	\$ 34,091	\$ 8,969	\$ 31	\$ 10,000	\$ 3,928,944	\$ -
Grassland Basin Drainage:										
18 GBD Specific	\$ 730,925			\$ 730,925						
19 New UA Mud Slough Mitigation	\$ 50,000			\$ 50,000						
20 Biological Monitoring	\$ 195,464			\$ 195,464						
21 Groundwater WDR Specific	\$ 345,429			\$ 345,429						
Sub Total	\$ 1,321,818	\$ -	\$ -	\$ 1,321,818	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER:										
22 Executive Director	\$ 336,838	\$ 168,304	\$ 168,535							
23 Executive Secretary	\$ 49,091	\$ 24,546	\$ 24,546							
24 General Counsel	\$ 274,332	\$ 212,250	\$ 47,077							
25 Water Policy Director	\$ 273,297	\$ 126,893	\$ 121,229		\$ 25,176					
26 Special Programs Manager	\$ 103,196	\$ 52,863	\$ 51,016				\$ (683)			
27 Deputy General Counsel	\$ 166,147	\$ 49,449	\$ 96,098	\$ 4,375		\$ 5,264	\$ 5,698	\$ 5,264		
28 In-House Staff	\$ 199,946	\$ 48,763	\$ 30,066	\$ 3,476	\$ 3,234	\$ 6,340	\$ (2,550)	\$ 169	\$ 110,268	\$ 179
29 Law Policy Clerk	\$ 32,500		\$ 32,500							
30 Los Banos Administrative Office (LBAO)	\$ 50,000	\$ 50,000								
31 Dissolved Oxygen Aerator	\$ 12,500		\$ 6,250	\$ 6,250						
32 Other Services & Expenses	\$ 9,490	\$ 4,592	\$ 4,898							
33 License & Continuing Education	\$ 785	\$ 428	\$ 357							
34 Organizational Membership	\$ 115,600	\$ 115,600								
35 Conferences & Training	\$ 28,435	\$ 19,408	\$ 9,028							
36 Travel/Mileage	\$ 154,255	\$ 67,496	\$ 82,760		\$ 1,500				\$ 2,500	
37 Group Meetings	\$ 11,178	\$ 4,849	\$ 5,829		\$ 500					
38 Telephone	\$ 1,679	\$ 1,194	\$ 485							
Sub Total	\$ 1,819,269	\$ 946,633	\$ 680,672	\$ 14,101	\$ 30,410	\$ 11,604	\$ 2,329	\$ 5,433	\$ 127,909	\$ 179
Total Expenditures	\$ 10,987,837	\$ 1,265,322	\$ 3,952,785	\$ 1,355,919	\$ 65,501	\$ 20,572	\$ 75,272	\$ 15,433	\$ 4,236,853	\$ 179

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
SUMMARY ACTUAL EXPENSE - PAID/PENDING
ACTIVITY AGREEMENTS BUDGET TO ACTUAL
Report Period 3/1/26 - 4/30/26

FAC 6/1/26

1

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	Budget	Actual to Date Paid/Expense	Variance Budget vs Actual Paid/Expense	2 months of Budget	Variance 2 months of Budget vs Actual Paid/Expense
Direct Expenses					
Legal:			(1-2)		(4 - 2)
1 Kronick Moskovitz et al	\$ 950,000	\$ 93,758	\$ 856,242	\$ 158,333	\$ 64,576
2 Kronick Moskovitz et al (annual costs)	\$ 8,000	\$ 1,372	\$ 6,628	\$ 1,333	\$ (38)
3 Pioneer Law Group/Matarazzo	\$ 115,000	\$ 853	\$ 114,147	\$ 19,167	\$ 18,314
4 Baker Manock & Jensen	\$ 1,000	\$ -	\$ 1,000	\$ 167	\$ 167
5 Misc. Legal Support	\$ 200,000	\$ -	\$ 200,000	\$ 33,333	\$ 33,333
6 Technical Legal Support	\$ 152,500	\$ -	\$ 152,500	\$ 25,417	\$ 25,417
7 Legal Contingency	\$ 250,000	\$ -	\$ 250,000	\$ 41,667	\$ 41,667
Sub Total	\$ 1,676,500	\$ 95,982	\$ 1,580,518	\$ 279,417	\$ 183,435
Technical:					
8 Grant Program	\$ 60,000	\$ 10,000	\$ 50,000	\$ 10,000	\$ -
9 Science Program	\$ 661,000	\$ 13,493	\$ 647,507	\$ 110,167	\$ 96,673
10 Previous Technical Project Commitment	\$ 339,000	\$ -	\$ 339,000	\$ 56,500	\$ 56,500
11 Technical Contingency	\$ 200,000	\$ -	\$ 200,000	\$ 33,333	\$ 33,333
Sub Total	\$ 1,260,000	\$ 23,493	\$ 1,236,507	\$ 210,000	\$ 186,507
Legislative Advocacy/Public Information Representation:					
12 Federal Representation	\$ 480,000	\$ -	\$ 480,000	\$ 80,000	\$ 80,000
13 State Representation	\$ 249,000	\$ -	\$ 249,000	\$ 41,500	\$ 41,500
14 Public Information / Communication	\$ 353,840	\$ 35,151	\$ 318,689	\$ 58,973	\$ 23,822
Sub Total	\$ 1,082,840	\$ 35,151	\$ 1,047,689	\$ 180,473	\$ 145,322
Other Professional Services:					
15 Integrated Regional Water Management	\$ 35,000	\$ 909	\$ 34,091	\$ 5,833	\$ 4,925
16 Mizuno Consulting	\$ 25,000	\$ 6,000	\$ 19,000	\$ 4,167	\$ (1,833)
17 Additional BF Sisk Dam Raise Commitment***	\$ 4,000,000	\$ 71,056	\$ 3,928,944	\$ 666,667	\$ 595,611
Sub Total	\$ 4,060,000	\$ 77,965	\$ 3,982,036	\$ 676,667	\$ 598,702
Grassland Basin Drainage:					
18 GBD Specific	\$ 806,181	\$ 75,256	\$ 730,925	\$ 134,364	\$ 59,108
19 New UA Mud Slough Mitigation	\$ 50,000	\$ -	\$ 50,000	\$ 8,333	\$ 8,333
20 Biological Monitoring	\$ 221,000	\$ 25,536	\$ 195,464	\$ 36,833	\$ 11,297
21 Groundwater WDR Specific	\$ 428,082	\$ 82,653	\$ 345,429	\$ 71,347	\$ (11,306)
Sub Total	\$ 1,505,263	\$ 183,445	\$ 1,321,818	\$ 250,877	\$ 67,432
OTHER:					
22 Executive Director	\$ 403,039	\$ 66,201	\$ 336,838	\$ 67,173	\$ 972
23 Executive Secretary	\$ 60,260	\$ 11,168	\$ 49,091	\$ 10,043	\$ (1,125)
24 General Counsel	\$ 341,388	\$ 67,056	\$ 274,332	\$ 56,898	\$ (10,158)
25 Water Policy Director	\$ 329,128	\$ 55,831	\$ 273,297	\$ 54,855	\$ (976)
26 Special Programs Manager	\$ 122,445	\$ 19,248	\$ 103,196	\$ 20,407	\$ 1,159
27 Deputy General Counsel	\$ 202,663	\$ 36,516	\$ 166,147	\$ 33,777	\$ (2,739)
28 In-House Staff	\$ 217,349	\$ 17,403	\$ 199,946	\$ 36,225	\$ 18,822
29 Law Policy Clerk	\$ 32,500	\$ -	\$ 32,500	\$ 5,417	\$ 5,417
30 Los Banos Administrative Office (LBAO)	\$ 50,000	\$ -	\$ 50,000	\$ 8,333	\$ 8,333
31 Dissolved Oxygen Aerator	\$ 12,500	\$ -	\$ 12,500	\$ 2,083	\$ 2,083
32 Other Services & Expenses	\$ 10,000	\$ 510	\$ 9,490	\$ 1,667	\$ 1,157
33 License & Continuing Education	\$ 1,500	\$ 715	\$ 785	\$ 250	\$ (465)
34 Organizational Membership	\$ 134,600	\$ 19,000	\$ 115,600	\$ 22,433	\$ 3,433
35 Conferences & Training	\$ 30,000	\$ 1,565	\$ 28,435	\$ 5,000	\$ 3,435
36 Travel/Mileage	\$ 159,000	\$ 4,745	\$ 154,255	\$ 26,500	\$ 21,755
37 Group Meetings	\$ 11,500	\$ 322	\$ 11,178	\$ 1,917	\$ 1,595
38 Telephone	\$ 2,100	\$ 421	\$ 1,679	\$ 350	\$ (71)
Sub Total	\$ 2,119,972	\$ 300,702	\$ 1,819,269	\$ 353,329	\$ 52,626
Total Expenditures	\$ 11,704,575	\$ 716,738	\$ 10,987,837	\$ 1,950,762	\$ 1,234,025

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
MARCH 1, 2026 - FEBRUARY 28, 2027
GENERAL MEMBERSHIP (FUND 03)
ACTIVITY AGREEMENTS BUDGET TO ACTUAL

Report Period 3/1/26 - 4/30/26

FAC 6/1/26

	Annual	Paid/	Amount	% of Amt	Expenses
EXPENDITURES	Budget	Expense	Remaining	Remaining	Through
<u>Legislative Advocacy/Public Info Representation:</u>					
Public Information/Communication	\$ 353,840	\$ 35,151	\$ 318,689	90%	4/30/26
<u>Other:</u>					
Executive Director	\$ 201,520	\$ 33,216	\$ 168,304	84%	4/30/26
Executive Secretary	\$ 30,130	\$ 5,584	\$ 24,546	81%	4/30/26
General Counsel	\$ 265,524	\$ 53,274	\$ 212,250	80%	4/30/26
Water Policy Director	\$ 151,893	\$ 24,999	\$ 126,893	84%	4/30/26
Special Projects Manager	\$ 61,222	\$ 8,360	\$ 52,863	86%	4/30/26
In-House Staff	\$ 52,000	\$ 3,237	\$ 48,763	94%	4/30/26
Deputy General Counsel	\$ 60,536	\$ 11,087	\$ 49,449	82%	4/30/26
Los Banos Administrative Office (LBAO)	\$ 50,000	\$ -	\$ 50,000	100%	
Other Services & Expenses	\$ 5,000	\$ 408	\$ 4,592	92%	4/30/26
License & Continuing Education	\$ 1,000	\$ 572	\$ 428	43%	
Organizational Membership	\$ 134,600	\$ 19,000	\$ 115,600	86%	
Conferences & Training	\$ 20,000	\$ 593	\$ 19,408	97%	4/30/26
Travel/Mileage	\$ 70,000	\$ 2,504	\$ 67,496	96%	3/31/26
Group Meetings	\$ 5,000	\$ 151	\$ 4,849	97%	3/18/26
Telephone	\$ 1,500	\$ 306	\$ 1,194	80%	4/30/26
Total Expenditures	\$ 1,463,764	\$ 198,442	\$ 1,265,322	86%	

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
MARCH 1, 2026 - FEBRUARY 28, 2027
LEG & CVP OPERATIONAL AFFAIRS (FUND 05)
ACTIVITY AGREEMENTS BUDGET TO ACTUAL

Report Period 3/1/26 - 4/30/26

FAC 6/1/26

EXPENDITURES	Annual Budget	Paid/ Expense	Amount Remaining	% of Amt Remaining	Expenses Through
<u>Legal:</u>					
Kronick Moskovitz et al	\$ 930,000	\$ 93,758	\$ 836,242	90%	3/31/26
Kronick Moskovitz et al (annual cost)	\$ 7,000	\$ 1,372	\$ 5,628	80%	3/31/26
Pioneer Law Group / Matarazzo Law	\$ 65,000	\$ 265	\$ 64,735	100%	3/19/26
Technical Legal Support	\$ 150,000	\$ -	\$ 150,000	100%	
Legal Contingency	\$ 250,000	\$ -	\$ 250,000	100%	
<u>Technical:</u>					
Science Program, Incl. CAMT Facilitation	\$ 661,000	\$ 13,493	\$ 647,507	98%	4/30/26
Previous Technical Project Commitment	\$ 339,000	\$ -	\$ 339,000	100%	
Grant Program	\$ 60,000	\$ 10,000	\$ 50,000	83%	4/30/26
Technical Contingency	\$ 200,000		\$ 200,000	100%	
<u>Legislative Advocacy/Public Info Representation:</u>					
Federal Representation	\$ 480,000	\$ -	\$ 480,000	100%	
State Representation	\$ 249,000	\$ -	\$ 249,000	100%	
<u>Other:</u>					
Executive Director	\$ 201,520	\$ 32,985	\$ 168,535	84%	4/30/26
Executive Secretary	\$ 30,130	\$ 5,584	\$ 24,546	81%	4/30/26
General Counsel	\$ 56,898	\$ 9,820	\$ 47,077	83%	4/30/26
Water Policy Director	\$ 151,893	\$ 30,664	\$ 121,229	80%	4/30/26
Special Programs Mgr	\$ 61,222	\$ 10,206	\$ 51,016	83%	4/30/26
Deputy General Counsel	\$ 118,440	\$ 22,342	\$ 96,098	81%	4/30/26
Law Policy Clerk	\$ 32,500	\$ -	\$ 32,500	100%	
In-House Staff	\$ 32,500	\$ 2,434	\$ 30,066	93%	4/30/26
Dissolved Oxygen Aerator	\$ 6,250	\$ -	\$ 6,250	100%	
Other Services & Expenses	\$ 5,000	\$ 102	\$ 4,898	98%	4/30/26
License & Continuing Education	\$ 500	\$ 143	\$ 357	71%	
Conferences & Training	\$ 10,000	\$ 973	\$ 9,028	90%	4/30/26
Travel/Mileage	\$ 85,000	\$ 2,240	\$ 82,760	97%	4/23/26
Group Meetings	\$ 6,000	\$ 171	\$ 5,829	97%	3/18/26
Telephone	\$ 600	\$ 115	\$ 485	81%	4/30/26
Total Expenditures	\$ 4,189,452	\$ 236,667	\$ 3,952,785	94%	

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
MARCH 1, 2026 - FEBRUARY 28, 2027
GRASSLAND BASIN DRAINAGE #3A (FUND 22)
ACTIVITY AGREEMENTS BUDGET TO ACTUAL

Report Period 3/1/26 - 4/30/26

FAC 6/1/26

EXPENDITURES	Annual Budget		Paid/ Expense	Amount Remaining	% of Amt Remaining	Expenses Through
<u>Legal:</u>						
Misc. Legal Support	\$ 20,000	1	\$ -	\$ 20,000	100%	
<u>GBD Specific:</u>						
Drainage Coordinator (Summers)	\$ 120,000	1	\$ 3,582	\$ 116,418	97%	3/31/26
Quality Data Processing/Load Calc (Summers)	\$ 150,000	1	\$ 18,288	\$ 131,712	88%	3/31/26
Flow Calculation/Station Maint. (Summers)	\$ 92,000	1	\$ 12,268	\$ 79,732	87%	3/31/26
Panoche Creek Gauging Station	\$ 10,050	1	\$ 5,530	\$ 4,520	45%	3/31/26
Water Quality Monitoring (Reg. Sites)	\$ 230,000	1	\$ 19,612	\$ 210,388	91%	3/31/26
Newman Water Costs	\$ 126,131	1	\$ -	\$ 126,131	100%	
Restoration of Mud Slough Channel (Newman Land)	\$ 30,000	1	\$ 2,161	\$ 27,839	93%	3/31/26
Waste Discharge Permit Fees	\$ 23,000	1	\$ -	\$ 23,000	100%	
GBD Reporting	\$ 25,000	1	\$ 13,815	\$ 11,185	45%	3/31/26
<u>New UA Mud Slough Mitigation:</u>						
Remove Sediment in SLD	\$ 50,000	1	\$ -	\$ 50,000	100%	
<u>Biological Monitoring:</u>						
Pacific Eco Risk	\$ 105,000	1	\$ 24,615	\$ 80,385	77%	4/30/26
HT Harvey-SJRIP Egg Monitoring	\$ 100,000	1	\$ 359	\$ 99,641	100%	3/31/26
Fish Biologist - Splittail/Sturgeon	\$ 16,000	1	\$ 562	\$ 15,438	96%	3/31/26
<u>Groundwater WDR Specific:</u>						
Membership Enrollment/List (Summers)	\$ 30,000	2	\$ 2,966	\$ 27,034	90%	3/31/26
Farm Evaluation Plan (Summers)	\$ 45,000	2	\$ 1,109	\$ 43,891	98%	3/31/26
NMP Summary Report	\$ 21,000	2	\$ 4,151	\$ 16,849	80%	3/31/26
MPEP Group Workplan	\$ 5,400	2	\$ 211	\$ 5,189	96%	3/31/26
Groundwater Protection Formula	\$ 5,000	2	\$ 242	\$ 4,758	95%	4/30/26
CVSalts Nitrate Compliance	\$ 35,000	2	\$ 25,061	\$ 9,939	28%	
Prioritization and Optimization Study-CVSalts	\$ 15,500	2	\$ -	\$ 15,500	100%	
Trend Monit Prgm	\$ 88,000	2	\$ 4,367	\$ 83,634	95%	3/31/26
Develop Web Portal	\$ 4,200	2	\$ -	\$ 4,200	100%	
Collect State Board Fee	\$ 128,982	2	\$ 41,103	\$ 87,879	68%	
Annual Monitoring Report (Summers)	\$ 15,000	2	\$ 1,109	\$ 13,891	93%	3/31/26
CVGMC Data	\$ 35,000	2	\$ 2,335	\$ 32,665	93%	3/31/26
<u>Other:</u>						
Deputy General Counsel	\$ 5,264		\$ 889	\$ 4,375	83%	4/30/26
In-House Staff	\$ 3,900	1	\$ 424	\$ 3,476	89%	4/30/26
Dissolved Oxygen Aerator	\$ 6,250	1	\$ -	\$ 6,250	100%	
Total Expenditures	\$ 1,540,677		\$ 184,758	\$ 1,355,919	88%	

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
MARCH 1, 2026 - FEBRUARY 28, 2027
INTEGRATED REGIONAL WATER MANAGEMENT (FUND 67)
ACTIVITY AGREEMENTS BUDGET TO ACTUAL

Report Period 3/1/26 - 4/30/26
FAC 6/1/26

EXPENDITURES	Annual Budget	Paid/ Expense	Amount Remaining	% of Amt Remaining	Expenses Through
<u>Legal:</u>					
Baker Manock & Jensen	\$ 1,000	\$ -	\$ 1,000	100%	
<u>Other Professional Services:</u>					
IRWM Implementation Contracts	\$ 20,000	\$ -	\$ 20,000	100%	
Prop 1 Round 1 Grant Admin (SJRFA)	\$ 15,000	\$ 909	\$ 14,091	94%	3/31/26
<u>Other:</u>					
Water Policy Director	\$ 25,343	\$ 167	\$ 25,176	99%	3/20/26
In-House Staff	\$ 3,250	\$ 16	\$ 3,234	100%	4/30/26
Travel/Mileage	\$ 1,500	\$ -	\$ 1,500	100%	
Group Meetings	\$ 500	\$ -	\$ 500	100%	
Total Expenditures	\$ 66,593	\$ 1,092	\$ 65,501	98%	

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
MARCH 1, 2026 - FEBRUARY 28, 2027
EXCHANGE CONTRACTOR 5-YEAR TRANSFER (FUND 44)
ACTIVITY AGREEMENTS BUDGET TO ACTUAL

Report Period 3/1/26 - 4/30/26
FAC 6/1/26

EXPENDITURES	Annual Budget	Paid/ Expense	Amount Remaining	% of Amt Remaining	Expenses Through
<u>Other Professional Services:</u>					
Mizuno Consulting	\$ 10,000	\$ 1,031	\$ 8,969	89.69%	3/31/26
<u>Other:</u>					
In-House Staff	\$ 6,500	\$ 160	\$ 6,340	97.53%	4/17/26
Deputy General Counsel	\$ 5,264	\$ -	\$ 5,264	100.00%	
	\$ 21,764	\$ 1,192	\$ 20,572	94.52%	

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
MARCH 1, 2026 - FEBRUARY 28, 2027
NORTH TO SOUTH WATER TRANSFER PROGRAM (FUND 57)
ACTIVITY AGREEMENTS BUDGET TO ACTUAL
Report Period 3/1/26 - 4/30/26
FAC 6/1/26

EXPENDITURES					
	Annual Budget	Paid/ Expense	Amount Remaining	% of Amt Remaining	Expenses Through
<u>Legal:</u>					
Kronick Moskovitz et al	\$ 20,000	\$ -	\$ 20,000	100%	
Kronick Moskovitz et al (annual costs)	\$ 1,000	\$ -	\$ 1,000	100%	
Pioneer Law Group / Matarazzo Law	\$ 50,000	\$ 588	\$ 49,412	99%	3/18/26
Technical Legal Support	\$ 2,500	\$ -	\$ 2,500	100%	
<u>Other Professional Services:</u>					
Mizuno Consulting	\$ 5,000	\$ 4,969	\$ 31	1%	3/31/26
<u>Other:</u>					
General Counsel	\$ -	\$ 137	\$ (137)	0%	3/20/26
Deputy General Counsel	\$ 7,896	\$ 2,198	\$ 5,698	72%	4/30/26
Special Programs Manager	\$ -	\$ 683	\$ (683)	0%	4/30/26
In-House Staff	\$ 325	\$ 2,875	\$ (2,550)	-785%	4/30/26
Total Expenditures	\$ 86,721	\$ 11,449	\$ 75,272	87%	

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
MARCH 1, 2026 - FEBRUARY 28, 2027
LONG TERM YUBA COUNTY WATER TRANSFERS (FUND 58)
ACTIVITY AGREEMENTS BUDGET TO ACTUAL
Report Period 3/1/26 - 4/30/26
FAC 6/1/26

EXPENDITURES					
	Annual Budget	Paid/ Expense	Amount Remaining	% of Amt Remaining	Expenses Through
<u>Other Professional Services:</u>					
Mizuno Consulting	\$ 10,000	\$ -	\$ 10,000	100%	
<u>Other:</u>					
Deputy General Counsel	\$ 5,264	\$ -	\$ 5,264	100%	
In-House Staff	\$ 169	\$ -	\$ 169	100%	
Total Expenditures	\$ 15,433	\$ -	\$ 15,433	100%	

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
MARCH 1, 2026 - FEBRUARY 28, 2027
B.F. SISK DAM RAISE & RESERVOIR EXPANSION PROJECT (FUND 69)
ACTIVITY AGREEMENTS BUDGET TO ACTUAL
Report Period 3/1/26 - 4/30/26

FAC 6/1/26

EXPENDITURES	Annual Budget	Paid/ Expense	Amount Remaining	% of Amt Remaining	Expenses Through
<u>Legal:</u>					
Misc. Legal Support (individually listed below)*	\$ 180,000	\$ -	\$ 180,000	100.00%	
<u>Other Professional Services:</u>					
Additional BF Sisk Dam Raise Commitment	\$ 4,000,000	\$ 71,056	\$ 3,928,944	98.22%	3/31/26
<u>Other:</u>					
General Counsel	\$ 18,966	\$ 3,825	\$ 15,141	79.83%	4/30/26
In-House Staff	\$ 118,510	\$ 8,242	\$ 110,268	93.05%	4/30/26
Travel	\$ 2,500	\$ -	\$ 2,500	100.00%	
Total Expenditures	\$ 4,319,976	\$ 83,123	\$ 4,236,853	98%	
* Kronick Moskowitz et al		\$ -			
* Kronick Moskowitz et al (annual costs)		\$ -			
* Pioneer Law Group / Matarazzo Law		\$ -			

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY

MARCH 1, 2026 - FEBRUARY 28, 2027

DELTA HABITAT CONSERVATION & CONVEYANCE PROGRAM (FUND 16)

ACTIVITY AGREEMENTS BUDGET TO ACTUAL

Report Period 3/1/26 - 4/30/26

FAC 6/1/26

EXPENDITURES	Annual Budget	Paid/ Expense	Amount Remaining	% of Amt Remaining	Expenses Through
<u>Other:</u>					
In-House Staff	\$ 195	\$ 16	\$ 179	92%	4/30/26
Total Expenditures					



Official Memorandum

PO Box 2157
Los Banos, CA 93635
sldmwa.org

To: Pablo Arroyave, Chief Operating Officer

From: Raymond Tarka, Director of Finance
Darlene Neves, Accounting Supervisor

Date: 6.01.26 FAC and 06.04.26 BOD

RE: FY27 O&M Budget to Actual Report Through April 30,2026

Self-Funding Expenses-2026 Water Year (FY3/1/26-2/28/27)

Self-Funding actual expenses (paid and pending) for SLDMWA Routine O&M through April 30,2026 are under budget by \$581,465, or 13.95%. This favorable variance is the result of underspending for O&M expenses in all cost pools including the DCI Conveyance Pool. There were no DCI Conveyance Costs recorded for April due to no DCI conveyance activity occurring during the month.

Intertie Conveyance Cost Update

On April 23, 2025, Staff were advised by DWR that the FY26 conveyance charges for water movement from the DCI to O'Neill Forebay have been revised to include a capital component. The 14% change over the prior year resulted in the budget overage experienced in FY26.

In March,2025, DWR provided Authority staff with the conveyance rates to be charged for calendar year 2026. The conveyance rate for the current year is \$ 38.73 per acre-foot, reflecting an 18.6% increase over the 2025 rate.

Outstanding

WY23 Final Accounting

With the completion and acceptance of the FY2024 financial statement audit, final costs calculations for WY23 final accounting are underway and staff expect the completion of WY23 final accounting within the next two weeks.

Audited Financial Statements FY2025 and FY2026

Preparation work for the audit for the fiscal year ending February 28, 2025, is underway and our auditors have informed us that they will be ready to start on the audit at the end of this month.



San Luis & Delta Mendota-Water Authority
FY26 O&M Budget to Actual Report
06.01.26 FAC and 06.04.26 BOD

ANNUAL R, O&M BUDGET BY COST POOLS MARCH 1, 2026 - FEBRUARY 28, 2027

	Total	UPPER	Intertie	Volta Wells	LWR/POOL	O'NEILL O&M		
						DIRECT	STORAGE	SL DRAIN
DMC \$	9,559,048	\$ 5,767,930			\$ 3,791,118			
JPP \$	5,472,932	\$ 5,472,932						
WW \$	142,440	\$ 106,830			\$ 35,611			
Intertie O&M \$	651,675	\$ 651,675						
DCI DWR Conveyance \$	4,801,020		\$ 4,801,020					
Volta Wells \$	34,851			\$ 34,851				
Mendota Pool \$	438,563				\$ 438,563			
O'Neill \$	3,716,230					\$ 2,935,822	\$ 780,408.30	
SL Drain \$	187,059							\$ 187,059
\$	25,003,818	\$ 11,999,367	\$ 4,801,020	\$ 34,851	\$ 4,265,292	\$ 2,935,822	\$ 780,408	\$ 187,059
O&M	20,202,799							
DCI DWR Conveyance	4,801,020							

R, O&M BUDGET BY COST POOLS THROUGH: APRIL 30, 2026
 16.67%

	Total	UPPER	Intertie	Volta Wells	LWR	O'NEILL O&M		
						DIRECT	STORAGE	SL DRAIN
DMC \$	1,593,175	\$ 961,322			\$ 631,853			
JPP \$	912,155	\$ 912,155						
WW \$	23,740	\$ 17,805			\$ 5,935			
Intertie O&M \$	108,613	\$ 108,613						
DCI DWR Conveyance \$	800,170		\$ 800,170					
Volta Wells \$	5,809			\$ 5,809				
Mendota Pool \$	73,094				\$ 73,094			
O'Neill \$	619,372					\$ 489,304	\$ 130,068	
SL Drain \$	31,177							\$ 31,177
\$	4,167,303	\$ 1,999,894	\$ 800,170	\$ 5,809	\$ 710,882	\$ 489,304	\$ 130,068	\$ 31,177

R, O&M Actual COSTS BY COST POOLS THROUGH: APRIL 30, 2026

	Total	UPPER	Intertie	Volta Wells	LWR/POOL	O'NEILL O&M		
						DIRECT	STORAGE	SL DRAIN
DMC \$	1,426,931	\$ 861,010			\$ 565,921			
JPP \$	636,754	\$ 636,754						
WW \$	51,187	\$ 38,390			\$ 12,797			
Intertie O&M \$	165,151	\$ 165,151						
DCI DWR Conveyance \$	798,240		\$ 798,240					
Volta Wells \$	404			\$ 404				
Mendota Pool \$	43,155				\$ 43,155			
O'Neill \$	457,484					\$ 361,412	\$ 96,072	
SL Drain \$	6,532							\$ 6,532
\$	3,585,838	\$ 1,701,305	\$ 798,240	\$ 404	\$ 621,873	\$ 361,412	\$ 96,072	\$ 6,532

R, O&M BUDGET vs Actual COSTS THROUGH: APRIL 30, 2026

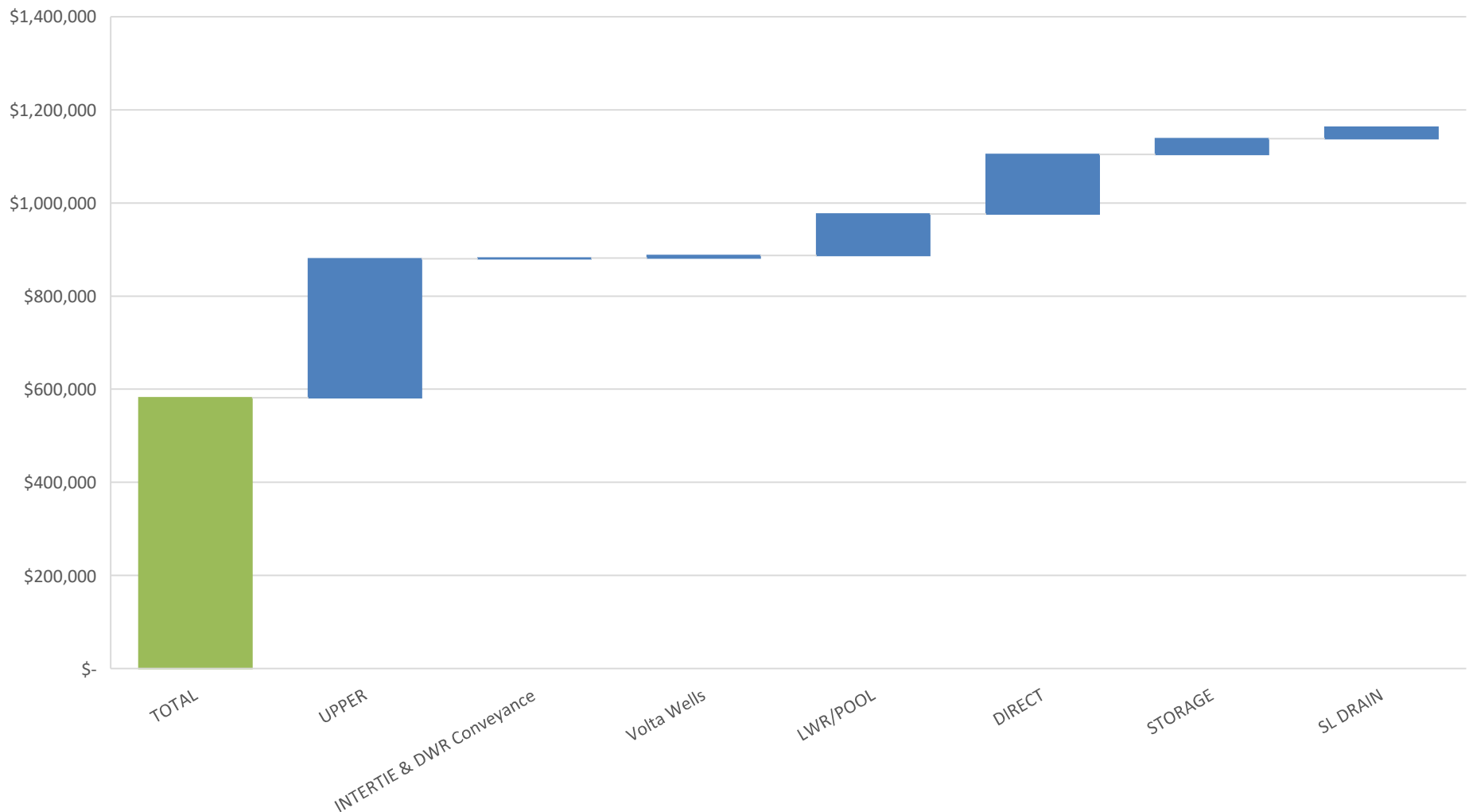
	TOTAL	UPPER	INTERTIE & DWR		Volta Wells	LWR/POOL	O'NEILL O&M		
			Conveyance				DIRECT	STORAGE	SL DRAIN
R, O&M Budget \$	4,167,303	\$ 1,999,894	\$ 800,170		\$ 5,809	\$ 710,882	\$ 489,304	\$ 130,068	\$ 31,177
R, O&M Actual \$	3,585,838	\$ 1,701,305	\$ 798,240		404	\$ 621,873	\$ 361,412	\$ 96,072	\$ 6,532
Difference \$	581,465	\$ 298,589	\$ 1,930		5,405	\$ 89,009	\$ 127,891	\$ 33,996	\$ 24,645
	UNDER	UNDER	UNDER		UNDER	UNDER	UNDER	UNDER	UNDER
	13.953029% UNDER BUDGET								

subject to rounding



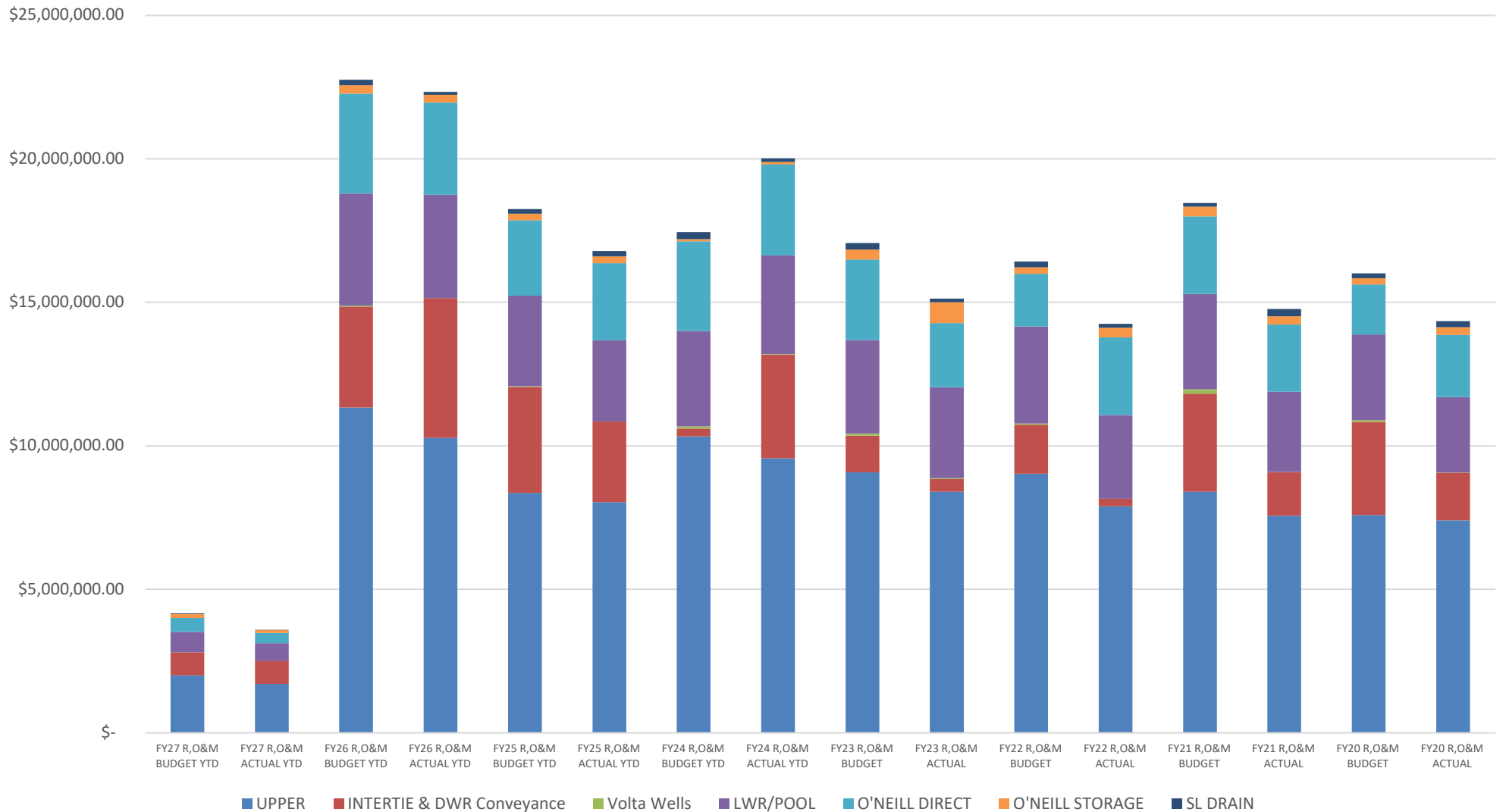
San Luis & Delta Mendota Water Authority
FY27 Budget to Actual Report through April 30, 2026
BUDGET VARIANCES
FAC 06/01/2026 BOD 06/04/2026

■ Increase ■ Decrease ■ Total



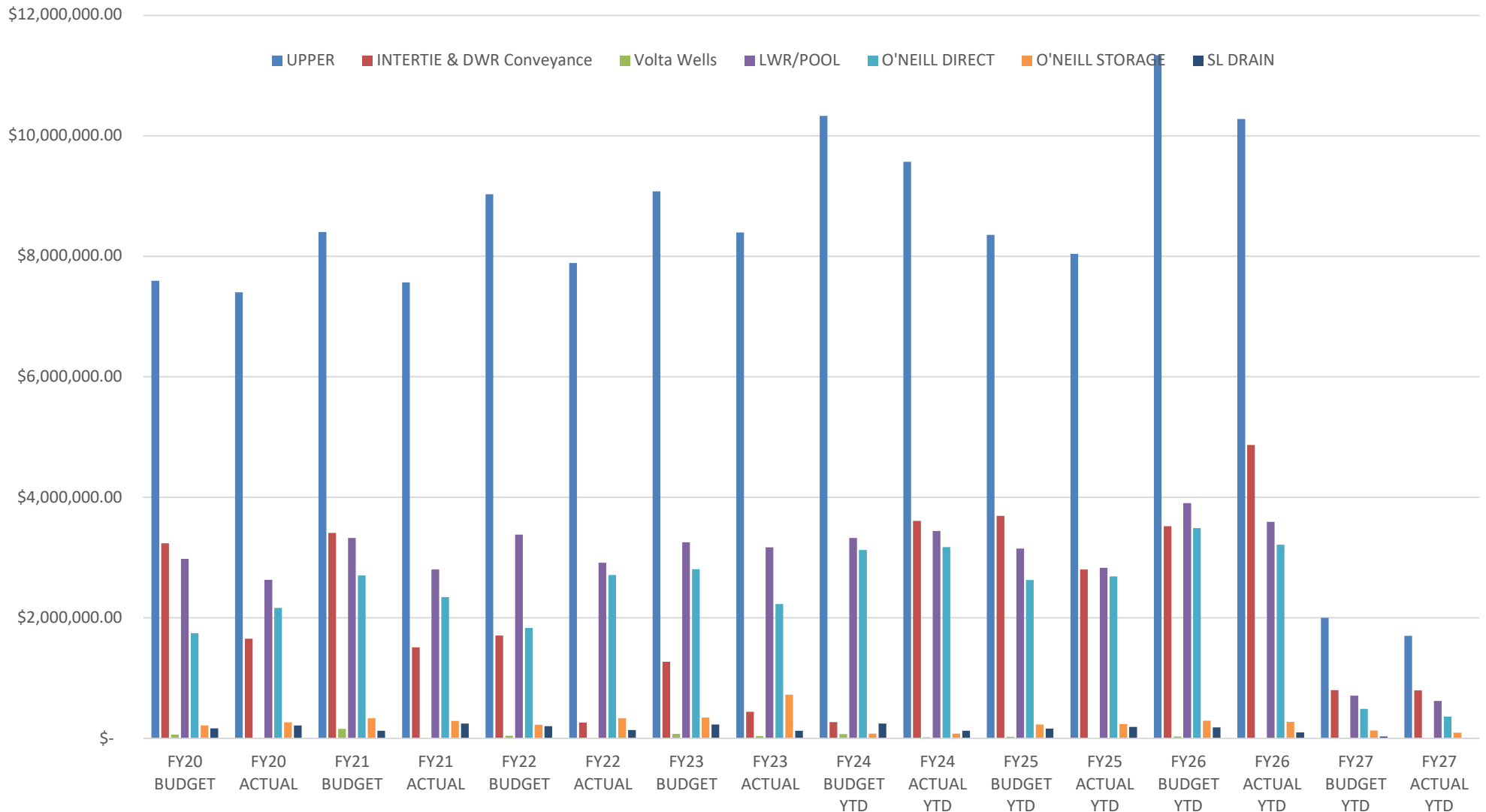


San Luis and Delta-Mendota Water Authority
O&M Budget to Actual -Stacked
FY20-F27 YTD (04/30/2026)
FAC 06/01/2026 BOD 06/04/2026



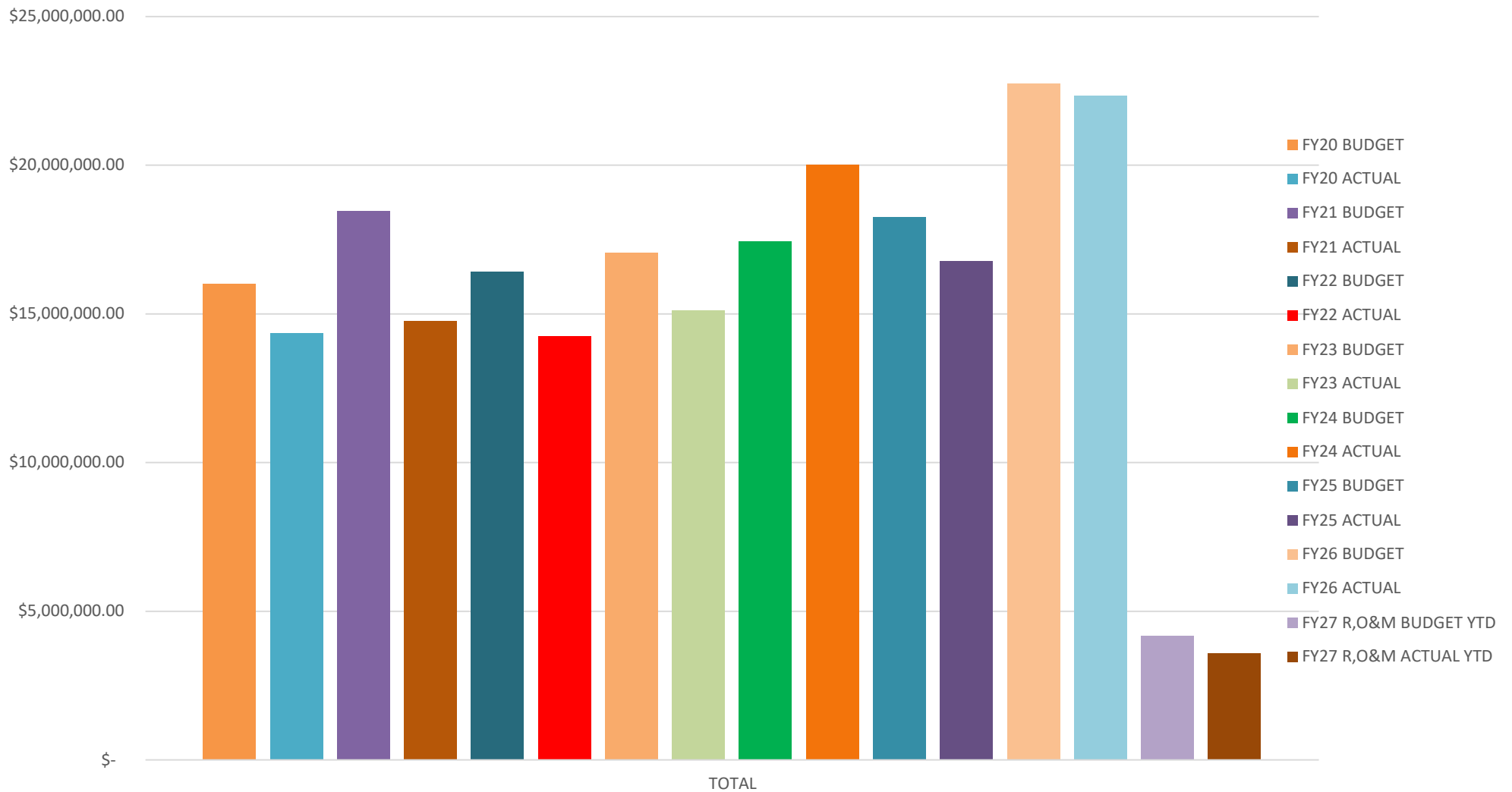


San Luis and Delta-Mendota Water Authority
O&M Budget to Actual-Side by Side
FY20-FY27 YTD (04/30/2026)
FAC 06/01/2026 BOD 06/04/2026





San Luis and Delta-Mendota Water Authority
HISTORICAL O&M BUDGET TO ACTUAL TOTAL
FY20-FY27 YTD (04/30/2026)
FAC 06/01/2026 BOD 06/04/2026
Total By Year



San Luis & Delta-Mendota Water Authority
DMC WITH CIP / E O & M
Budget to Actual Paid/Pending Comparison Summary
March 1, 2026 through April 30, 2026

FAC 6/1/26 & BOD 6/4/26

		FY Budget 3/1/26 - 2/28/27	Actual To Date Paid/Pending	% of Budget	Notes	Budget Amount Remaining
Capital Improvement Projects	CIP 25	72,059,971	559,136	0.78%		71,500,835
Extra Ordinary O&M	EO&M 26	4,686,472	1,182,494	25.23%		3,503,978
Operate & Maintain DMC	S/F 02	6,485,210	980,359	15.12%		5,504,852
Operate & Maintain Wasteways	S/F 04	91,127	33,021	36.24%		58,106
Mendota Pool	S/F 05	265,584	27,996	10.54%		237,587
Operate & Maintain JPP	S/F 11	3,623,248	438,715	12.11%		3,184,534
Intertie Maintenance	S/F 12	445,474	107,843	24.21%		337,632
Volta Wells Pumping	S/F 13	22,968	263	1.14%		22,705
Operate & Maintain O'Neill	S/F 19	2,430,952	300,320	12.35%		2,130,633
Maintain Tracy Fish Facility	USBR 30	398,712	1,112	0.28%		397,601
Operate & Maintain San Luis Drain	S/F 41	119,450	4,236	3.55%		115,214
Maintain Delta Cross Channel	USBR 44	9,163	-	0.00%		9,163
Safety Equipment Training	50	146,171	20,048	13.72%		126,123
IT Expense	51	1,145,488	190,647	16.64%		954,841
Warehousing	52	288,989	7,850	2.72%		281,139
SCADA	53	449,817	67,087	14.91%		382,730
Tracy Field Office Expense	54	710,229	96,409	13.57%		613,820
Direct Administrative/General Expense	56	2,520,127	246,710	9.79%		2,273,417
Indirect O & M LBAO Admin.	58	3,473,512	557,660	16.05%		2,915,852
TOTAL		99,372,665	4,821,906	4.85%		94,550,759
Total from Self-Funding - page 2		20,202,798	2,787,596			17,415,203
Total from USBR - page 3		645,754	1,441	0.22%		644,313
Total from Special Projects - page 4		-	971			(971)
Total from EO&M		78,524,113	2,031,898	2.59%		76,492,214
Totals		99,372,665	4,821,906			94,550,759
YTD %		16.67%				

A Does NOT include DWR Wheeling

San Luis & Delta-Mendota Water Authority

Self-Funding Portion of DMC

Budget to Actual Paid/Pending Comparison Summary

March 1, 2026 through April 30, 2026

FAC 6/1/26 & BOD 6/4/26

		FY Budget 3/1/26 - 2/28/27		Actual To Date Paid/Pending		% of Budget		Budget Amount Remaining
Operate & Maintain DMC	02	6,485,210		980,359		15.12%		5,504,852
Operate & Maintain Wasteways	04	91,127		33,021		36.24%		58,106
Mendota Pool	05	265,584		27,996		10.54%		237,588
Operate & Maintain JPP	11	3,623,248		438,715		12.11%		3,184,534
Intertie Maintenance	12	445,474	A	107,843		24.21%		337,632
Volta Wells Pumping	13	22,968		263		1.14%		22,705
Operate & Maintain O'Neill	19	2,430,952		300,320		12.35%		2,130,633
Operate & Maintain San Luis Drain	41	119,450		4,236		3.55%		115,214
Total Direct O & M		13,484,014		1,892,752		14.04%		11,591,263
Safety Equipment Training	50	112,440		15,121		13.45%		97,319
IT Expense	51	881,153		143,794		16.32%		737,359
Warehousing	52	222,301		5,921		2.66%		216,381
SCADA	53	346,016		50,600		14.62%		295,416
Tracy Field Office Expense	54	546,335		72,716		13.31%		473,619
Direct Administrative/General Expense	56	1,938,578		186,080		9.60%		1,752,499
Indirect O & M LBAO Admin.	58	2,671,959		420,612		15.74%		2,251,347
Total Indirect Allocated to O & M		6,718,784		894,844		13.32%		5,823,940
Total SLDMWA O&M		20,202,798		2,787,596		13.80%		17,415,203

A. Does NOT include DWR Wheeling

San Luis & Delta-Mendota Water Authority

USBR Service Agreement portion of DMC

Budget to Actual Paid/Pending Comparison Summary

March 1, 2026 through April 30, 2026

FAC 6/1/26 & BOD 6/4/26

		FY Budget 3/1/26 - 2/28/27		Actual To Date Paid/Pending		% of Budget		Budget Amount Remaining
Maintain Tracy Fish Facility	30	398,712		1,112		0.28%		397,601
Maintain Delta Cross Channel	44	9,163		-		0.00%		9,163
Total Direct USBR Facilities		407,875		1,112		0.27%		406,763
Safety Equipment Training	50	3,981		6		0.14%		3,975
IT Expense	51	31,197		53		0.17%		31,144
Warehousing	52	7,871		2		0.03%		7,868
SCADA	53	12,251		19		0.15%		12,232
Tracy Field Office Expense	54	19,343		27		0.14%		19,316
Direct Administrative/General Expense	56	68,635		68		0.10%		68,567
Indirect O & M LBAO Admin.	58	94,601		154		0.16%		94,447
Total Indirect Allocated USBR Facilities		237,879		329		0.14%		237,550
				1,441				
TOTAL USBR FACILITIES		645,754		1,441		0.22%		644,313

San Luis & Delta-Mendota Water Authority

DMC Indirect Cost Allocated to Special Projects

March 1, 2026 through April 30, 2026

FAC 6/1/26 & BOD 6/4/26

			Allocated To Date			
Safety Equipment Training	50		16			
IT Expense	51		156			
Warehousing	52		6			
SCADA	53		55			
Tracy Field Office Expense	54		79			
Direct Administrative/General Expense	56		202			
Indirect O & M LBAO Admin.	58		457			
Total Indirect Allocated to SPECIAL PROJECTS			971			
TOTAL INDIRECT ALLOCATED TO SPECIAL PROJECTS			971			

San Luis & Delta-Mendota Water Authority
DMC without CIP / E O&M
Budget to Actual Paid/Pending Comparison Summary
March 1, 2026 through April 30, 2026
FAC 6/1/26 & BOD 6/4/26

		FY Budget 3/1/26 - 2/28/27		Actual To Date Paid/Pending		% of Budget	Notes	Budget Amount Remaining
Operate & Maintain DMC	S/F 02	6,485,210		980,359		15.12%		5,504,852
Operate & Maintain Wasteways	S/F 04	91,127		33,021		36.24%		58,106
Mendota Pool	S/F 05	265,584		27,996		10.54%		237,588
Operate & Maintain JPP	S/F 11	3,623,248		438,715		12.11%		3,184,534
Intertie Maintenance	S/F 12	445,474	A	107,843		24.21%		337,632
Volta Wells Pumping	S/F 13	22,968		263		1.14%		22,705
Operate & Maintain O'Neill	S/F 19	2,430,952		300,320		12.35%		2,130,633
Maintain Tracy Fish Facility	USBR 30	398,712		1,112		0.28%		397,601
Operate & Maintain San Luis Drain	S/F 41	119,450		4,236		3.55%		115,214
Maintain Delta Cross Channel	USBR 44	9,163		-		0.00%		9,163
Safety Equipment Training	50	116,421		15,143		13.01%		101,278
IT Expense	51	912,351		144,003		15.78%		768,347
Warehousing	52	230,172		5,929		2.58%		224,243
SCADA	53	358,267		50,674		14.14%		307,594
Tracy Field Office Expense	54	565,678		72,822		12.87%		492,856
Direct Administrative/General Expense	56	2,007,214		186,349		9.28%		1,820,864
Indirect O & M LBAO Admin.	58	2,766,559		421,223		15.23%		2,345,336
TOTAL		20,848,552		2,790,008		13.38%		18,058,545
Total from Self-Funding - page 2		20,202,798		2,787,596		13.80%		17,415,203
Total from USBR - page 3		645,754		1,441		0.22%		644,313
Total from Special Projects - page 4		-		971				(971)
Totals		20,848,552		2,790,008				18,058,545
YTD %		16.67%						

A. Does NOT include DWR Wheeling

San Luis & Delta-Mendota Water Authority
DMC WITH CIP / E O & M With Indirect Allocated
Budget to Actual Paid/Pending Comparison Summary
March 1, 2026 through April 30, 2026

FAC 6/1/26 & BOD 6/4/26

		Actual Paid/Pending Expense	% Direct Labor to Total Labor	Allocated Indirect Based on Direct Labor %	Total Expense Direct & Indirect
Operate & Maintain DMC	S/F 02	980,359	37.64%	446,572	1,426,931 *
Operate & Maintain Wasteways	S/F 04	33,021	1.53%	18,166	51,187 *
Mendota Pool	S/F 05	27,996	1.28%	15,158	43,154 *
Operate & Maintain Jones Pumping Pl	S/F 11	438,715	16.69%	198,039	636,754 *
Intertie Maintenance	S/F 12	107,843	4.83%	57,308	165,151 *
Intertie DWR Conveyance	S/F 12	798,240	0.00%	-	798,240 *
Volta Wells Pumping	S/F 13	263	0.01%	141	404 *
Operate & Maintain O'Neill	S/F 19	300,320	13.25%	157,164	457,484 *
Maintain Tracy Fish Facility	USBR 30	1,112	0.03%	329	1,441
Operate & Maintain San Luis Drain	S/F 41	4,236	0.19%	2,296	6,532 *
CIP	25	559,136	4.64%	55,042	614,178
EO&M & Scada Project	26	1,182,494	19.83%	235,225	1,417,719
SPECIAL PROJECTS	XX		0.08%	971	971
				1,186,411	5,620,146
			100.0%		
Safety Equipment Training	50	20,048			
IT Expense	51	190,647			
Warehousing	52	7,850			
Scada	53	67,087			
Tracy Field Office Expense	54	96,409			
Direct Administrative/General Expense	56	246,710			(2,031,897) less CIP&EO&M
Indirect O & M LBAO Admin.	58	557,660			(1,441) less USBR Facilities
Total Indirect to be Allocated			1,186,411		(971) less Special Projects
TOTAL		5,620,146			3,585,837 *SLDMWA O&M Costs
		includes intertie DWR conveyance			

4,821,906

w/o intertie DWR conveyance

2,787,597 O&M

San Luis & Delta-Mendota Water Authority

CIP / EO&M / PAT Grants

Budget to Actual Paid/Pending Comparison Summary

March 1, 2026 through April 30, 2026

FAC 6/1/26 & BOD 6/4/26

			FY Budget 3/1/26 - 2/28/27		Actual To Date Paid/Pending		% of Budget	Notes	Budget Amount Remaining
CIP-Unit Rewind	25	F4	-		66,717		0.00%		(66,717)
CIP JPP Exc System & Control Modernization Ph 3	25	F9	14,688,097		101,404		0.69%		14,586,693
CIP-DMC Subsidence Correction Project	25	I3	40,373,995		391,015		0.97%		39,982,980
CIP-Pump Bowl Replacement	25	J2	8,337,425		-		0.00%		8,337,425
CIP-OPP Upgrades	25	J3	5,895,066		-		0.00%		5,895,066
OPP Main Transformer Replacement	25	R0	2,765,388		-		0.00%		2,765,388
Replacement Computer/Network Comm. Equip	D0		342,261		60,374		17.64%		281,887
Replacement Vehicles	D1		415,420		-		0.00%		415,420
Purchase New Heavy Equipment	D2		91,829		53,438		58.19%		38,391
All Facility Infrastructure Replacement	D3		253,641		16,308		6.43%		237,332
SCADA Replacement & Modernization Program	D4		272,860		60,211		22.07%		212,649
Main Transformer Rehabilitation	G3		1,137,517		397,862		34.98%		739,655
DMC Subsidence Correction Project	I3	26			63,498		0.00%		(63,498)
Unit Rewind	F4	26			7,300		0.00%		(7,300)
Shaft Sleeve Design & Manufacture	F3		299,624		-		0.00%		299,624
OPP Pump Bowl Replacement	J2	26			217		0.00%		(217)
Electric Vehicle Charging Station	L1				205		0.00%		(205)
EO&M Program Management Services	L6				1,904		0.00%		(1,904)
Rehab Coating on Pump Casing	M1				35,380		0.00%		(35,380)
JPP Station Service Backup Battery System Replacement	R16		396,293		675				395,619
JPP Switchgear Paralleling	R17		748,149		-		0.00%		748,149
JPP HVAC System Rehab/Replacement-Design	R18		505,631		-		0.00%		505,631
Protective Relays Review	R7		116,423		-		0.00%		116,423
Facility Rating Review	R8		106,823		-		0.00%		106,823
Siphon Breaker Comm Upgrades	M7				9,682		0.00%		(9,682)
Trashrake Controls Modern	M8				1,012		0.00%		(1,012)
DCI U1 & U2 Restoration and Plant Electrical Upgrades	Q1				38,711		0.00%		(38,711)
JPP U5 Leak Investigation & Repair	Q4				435,718		0.00%		(435,718)
Total Direct CIP/EO&M/PAT			76,746,442		1,741,629		2.27%		75,004,813
Safety Equipment Training	50		29,750		4,905		16.49%		24,845
IT Expense	51		233,137		46,644		20.01%		186,494
Warehousing	52		58,817		1,921		3.27%		56,896
SCADA	53		91,550		16,414		17.93%		75,136
Tracy Field Office Expense	54		144,551		23,588		16.32%		120,962
Direct Administrative/General Expense	56		512,913		60,360		11.77%		452,553
Indirect O & M LBAO Admin.	58		706,953		136,437		19.30%		570,515
Total Indirect Allocated to CIP/EO&M/PAT			1,777,671		290,269		16.33%		1,487,401
Total CIP / EO&M / PAT			78,524,113		2,031,898		2.59%		76,492,214

Subject to Rounding

**San Luis & Delta-Mendota Water Authority
Contract/Procurement Activity Report
From May 1, 2026 to May 31, 2026**

Date Executed	Contract Title	Vendor or Service Provider	Contract Amount	Contract Solicitation Type	Contract Type	Funding Source	Notes
5/14/2026	F27-JPP-005 Jones Pumping Plant (JPP) 80/20 Ton Crane VFD Replacement	CraneTech USA, Inc.	\$ 68,913.51	Informal Bidding	Construction	EO&M 26 M5	Contract executed 5/14/26 via informal bidding procedures
5/14/2026	F27-TFO-003 Tracy Field Office (TFO) Fuel Delivery Services	Efuel LLC. dba Ramos Oil Co.	\$ 150,000.00	Formal Invitation for Bid (IFB)	MSE	O&M 02 46	Contract awarded at the May 14, 2026 board meeting for a total Not-To-Exceed amount of \$150,000 per fiscal year through February 28, 2029 with possible two one-year extensions
5/26/2026	F27-LBFO-004 Los Banos Field Office (LBFO) Fuel Delivery Services	Toro Petroleum Corp.	\$ 150,000.00	Formal Invitation for Bid (IFB)	MSE	O&M 02 46	Contract awarded at the May 14, 2026 board meeting for a total Not-To-Exceed amount of \$150,000 per fiscal year through February 28, 2029 with possible two one-year extensions

CONTRACT CHANGE ORDER NOTIFICATIONS:

Date Executed	Contract Title	Vendor or Service Provider	Change Order Amount	Original Contract Amount	% Change	Justification
5/6/2026	F26-JPP-015 JPP Pump Casing and Bifurcation Pipe Recoating	Hartman-Walsh Painting Company	\$ 141,840.00	\$ 1,109,350.00	13%	Change Order 2 executed 5/6/2026 via emergency justification. Change Order 2 was ratified at the May 14, 2026 Board meeting.
5/1/2026	F26-JPP-016 JPP Unit 5 Impeller Balancing	Unico Mechanical Corp.	\$ 123,058.00	\$ 177,573.00	69%	Change Order 2 executed 5/1/2026 via emergency justification. Change Order 2 was ratified at the May 14, 2026 Board meeting.

This Procurement Activity Report is intended to satisfy the requirements in the San Luis & Delta-Mendota Water Authority's Consolidated Procurement Policy that the Board be notified of all contracts awarded under informal and formal bidding procedures and single-source procedures, as well as certain change orders, promptly following award.



Official Memorandum

TO: Pablo Arroyave, Chief Operating Officer
FROM: Raymond Tarka, Director of Finance

SUBJECT: June 2026 FAC and BOD Meeting Report – Finance
Fiscal Year - March 1, 2026 through February 28, 2027

DATE: June 01, 2026

Attached are the Financial & Expenditures Reports.

San Luis & Delta-Mendota Water Authority
AR Aging Summary by Category
As of April 30, 2026

Customer	Current	(30)	(60)	(90)	(>90)	Category	Total
CAMP-MEMB Camp 13 Drainage District	\$0.00	\$0.00	\$16,115.50	\$0.00	\$0.00	MEMBERSHIP	\$16,115.50
FARMERS WD-MEMBER Farmers Water District	\$0.00	\$0.00	\$0.00	\$0.00	\$95,353.00	MEMBERSHIP	\$95,353.00
LWD-MEMB Laguna Water District	\$0.00	\$0.00	\$0.00	(\$0.10)	\$0.00	MEMBERSHIP	(\$0.10)
OFWD-MEMB Oak Flat Water District	\$0.00	\$0.00	\$0.00	\$0.00	(\$1,188.00)	MEMBERSHIP	(\$1,188.00)
PDD-MEMB Panoche Drainage District	\$0.00	\$0.00	\$132,098.00	\$0.00	\$0.00	MEMBERSHIP	\$132,098.00
PWD-MEMB Pacheco Water District	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.01)	MEMBERSHIP	(\$0.01)
SLWD-MEMB San Luis Water District	\$0.00	\$0.00	\$0.00	\$0.00	(\$10.00)	MEMBERSHIP	(\$10.00)
TRACY-MEMB City of Tracy	\$0.00	\$0.00	\$7,741.00	\$0.00	\$0.00	MEMBERSHIP	\$7,741.00
VALLEY-MEMB Valley Water	\$0.00	\$0.00	\$197,479.00	\$0.00	\$0.00	MEMBERSHIP	\$197,479.00
WWD-MEMB Westlands Water District	\$0.00	\$0.00	\$524,424.00	\$0.00	(\$73.02)	MEMBERSHIP	\$524,350.98
Total Membership Receivable							\$971,939.37
0265 St of CA Depart of Tax & Fee Admin	\$0.00	\$0.00	\$1,862.00	\$0.00	\$0.00	MISC	\$1,862.00
0276 Employee	\$0.00	\$1,231.39	\$0.00	\$0.00	\$0.00	MISC	\$1,231.39
0319 Employee	\$0.00	\$0.00	\$6.52	\$0.00	\$0.00	MISC	\$6.52
0326 Employee	\$0.00	\$1,231.39	\$0.00	\$0.00	\$0.00	MISC	\$1,231.39
0333 Employee	\$0.00	\$55.62	\$0.00	\$0.00	\$0.00	MISC	\$55.62
0344 Employee	\$0.00	\$1,233.99	\$0.00	\$0.00	\$0.00	MISC	\$1,233.99
DPWD-MISC Del Puerto Water District	\$53.30	\$39.54	\$12,282.25	\$0.00	\$0.00	MISC	\$12,375.09
DWR Department of Water Resources	\$0.00	\$0.00	\$0.00	\$0.00	\$1,102,974.72	MISC	\$1,102,974.72
PANOCH-MISC Panoche Water District	\$0.00	\$0.00	\$60,698.25	\$0.00	\$0.00	MISC	\$60,698.25
PATT CITY MISC City of Patterson	\$0.00	\$0.00	\$0.00	\$0.00	\$10,797.47	MISC	\$10,797.47
SJVDA San Joaquin Valley Drainage Authority	\$0.00	\$0.00	\$0.00	\$140.37	\$0.00	MISC	\$140.37
SLWD-MISC San Luis Water District	\$0.00	\$39.54	\$53.30	\$0.00	\$0.00	MISC	\$92.84
SWC State Water Contractors	\$0.00	\$0.00	\$3,575.00	\$0.00	\$0.00	MISC	\$3,575.00
TRACY-MISC City of Tracy	\$0.00	\$76,607.00	\$0.00	\$0.00	\$0.00	MISC	\$76,607.00
USBR-MISC U.S. Bureau of Reclamation	\$0.00	\$0.00	\$0.00	\$0.00	\$44,536.00	MISC	\$44,536.00
VALLEY-MISC Valley Water	\$0.00	\$919,524.00	\$0.00	\$0.00	\$0.00	MISC	\$919,524.00
WWD-MISC Westlands Water District	\$0.00	\$256,082.00	\$0.00	\$0.00	\$256,082.00	MISC	\$512,164.00
Total Misc Receivable							\$2,749,105.65
BBID-SF O&M BYRON-BETHANY IRRIGATION DISTRICT	\$0.00	\$0.00	\$0.00	\$0.00	(\$934.44)	SF O&M	(\$934.44)
BCID-SF O&M BANTA-CARBONA IRRIGATION DISTRICT	\$0.00	\$0.00	(\$24.36)	\$0.00	\$0.00	SF O&M	(\$24.36)
CCID-SF O&M CENTRAL CALIFORNIA IRRIGATION DISTRICT	\$0.00	\$0.00	\$0.00	\$746.00	\$0.00	SF O&M	\$746.00
EFWD-SF O&M EAGLE FIELD WATER DISTRICT	\$0.00	\$0.00	\$0.00	(\$18.29)	\$0.00	SF O&M	(\$18.29)
FCWD-SF O&M FIREBAUGH CANAL WATER DISTRICT	\$0.00	\$0.00	\$0.00	\$1,049.94	\$0.00	SF O&M	\$1,049.94
FWA-SF O&M FRIANT WATER AUTHORITY	\$0.00	\$0.00	\$0.00	\$671.93	\$0.00	SF O&M	\$671.93
PID-SF O&M PATTERSON IRRIGATION DISTRICT	\$0.00	\$0.00	\$0.00	\$0.00	(\$15.84)	SF O&M	(\$15.84)
SBCWD-SF O&M SAN BENITO COUNTY WATER DISTRICT	\$0.00	\$0.00	\$0.00	(\$22,466.19)	\$0.00	SF O&M	(\$22,466.19)
SNCWD-SF O&M SANTA NELLA COUNTY WATER DISTRICT	\$0.00	\$0.00	\$0.00	(\$131.64)	\$0.00	SF O&M	(\$131.64)
USBR-SF O&M USBR (REFUGE)	\$0.00	\$0.00	\$0.00	(\$167,014.18)	(\$395,063.82)	SF O&M	(\$562,078.00)
USBR-SF O&M(Fresno) USBR (REFUGE)	\$0.00	\$0.00	\$0.00	\$74,275.62	\$3,069.27	SF O&M	\$77,344.89
VALLEY-SF O&M VALLEY WATER	\$0.00	\$0.00	\$0.00	(\$201.19)	\$0.00	SF O&M	(\$201.19)
WALLC-SF O&M WESTSIDE AGRICULTURE LLC	\$0.00	\$1.10	\$0.00	\$0.00	\$0.00	SF O&M	\$1.10
Total SF O&M Receivable							(\$506,056.09)
USBR-SERVICES U.S. Bureau of Reclamation	\$0.00	\$0.00	\$29,378.07	\$0.00	\$0.00	USBR-SERVICES	\$29,378.07
Total USBR Receivable							\$29,378.07
Total Receivables as of April 30, 2026							\$3,244,367.00
	\$53.30	\$1,256,045.57	\$985,688.53	(\$112,947.73)	\$1,115,527.33		

San Luis & Delta-Mendota Water Authority
Cash Activity Detail Report - Operational
For Month Ending April 30, 2026

Daily Interest Rates: Type of Account: Account #:		Cash on Hand	0.00% CWB Checking 0471	0.00% CWB Payroll 0489	0.50% CWB Transactional 0463	0.50% CWB Emergency Reserve 4858	3.80% CWB Money Mkt 8343	3.86% Cal Trust 2510 Short Term 201	3.89% Cal Trust 2510 Medium Term 202	3.76% Cal Trust 2510 Liquidity 203	3.81% LAIF 4-006	Petty Cash	Total
Cash Balance as of 3/31/26		0.00	(302,157.73)	5,000.00	671,148.34	2,201,919.38	4,898,236.17	591,047.15	541,157.81	8,780,300.90	70,395.97	1,000.00	17,458,047.99
Date	Receipts - Remote Deposit												
04/01/26	Deposit	0.00	0.00	0.00	3,192.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,192.00
04/06/26	Deposit	0.00	0.00	0.00	231,116.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00	231,116.39
04/07/26	Deposit	0.00	0.00	0.00	348,064.45	0.00	0.00	0.00	0.00	0.00	0.00	0.00	348,064.45
04/09/26	Deposit	0.00	0.00	0.00	84,133.42	0.00	0.00	0.00	0.00	0.00	0.00	0.00	84,133.42
04/13/26	Deposit	0.00	0.00	0.00	361,976.41	0.00	0.00	0.00	0.00	0.00	0.00	0.00	361,976.41
04/15/26	Deposit	0.00	102,812.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	102,812.96
04/16/26	Deposit	0.00	0.00	0.00	364,937.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	364,937.00
04/20/26	Deposit	0.00	0.00	0.00	545,064.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00	545,064.49
04/23/26	Deposit	0.00	0.00	0.00	131,106.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	131,106.00
04/27/26	Deposit	0.00	0.00	0.00	126,196.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	126,196.08
04/29/26	Deposit	0.00	0.00	0.00	4,234.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,234.07
		0.00	102,812.96	0.00	2,200,020.31	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,302,833.27
Date	Receipts - Wires & ACH												
04/10/26	JPP Cabinet/Control Panel Refurbishment Project	0.00	0.00	0.00	686,877.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	686,877.00
04/14/26	San Luis Water District Accounts	0.00	0.00	0.00	803,152.52	0.00	0.00	0.00	0.00	0.00	0.00	0.00	803,152.52
04/15/26	Panoche Drainage District	0.00	0.00	0.00	11,065.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,065.17
04/15/26	Panoche Drainage District	0.00	0.00	0.00	66,049.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	66,049.00
04/15/26	Panoche Drainage District	0.00	0.00	0.00	95,976.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	95,976.13
04/15/26	Panoche Water District	0.00	0.00	0.00	399,666.76	0.00	0.00	0.00	0.00	0.00	0.00	0.00	399,666.76
04/15/26	Westlands Water District	0.00	0.00	0.00	3,337,429.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,337,429.20
04/17/26	Byron Bethany Irrigation District	0.00	0.00	0.00	23,450.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	23,450.50
04/20/26	Friant Water Authority	0.00	0.00	0.00	2,288,323.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,288,323.01
		0.00	0.00	0.00	7,711,989.29	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,711,989.29
Date	To/From Operational / DHCCP												
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Date	To/From Grant Funds-Trans												
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Date	Checks Written												
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
04/01/26	Accounts Payable	0.00	(450,782.92)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(450,782.92)
04/07/26	Accounts Payable	0.00	(580,620.30)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(580,620.30)
04/14/26	Accounts Payable	0.00	(402,858.18)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(402,858.18)
04/21/26	Accounts Payable	0.00	(511,613.98)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(511,613.98)
04/28/26	Accounts Payable	0.00	(143,050.46)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(143,050.46)
		0.00	(2,088,925.84)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(2,088,925.84)
Date	ACH Payments												
04/01/26	Kiewit Finance Group	0.00	(42,800.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(42,800.00)
04/03/26	EE Assoc 3/14/26-3/27/26	0.00	(460.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(460.00)
04/03/26	ICMA Retirement 3/14/26-3/27/26	0.00	(112,746.19)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(112,746.19)
04/08/26	USBR	0.00	0.00	0.00	(18,560.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(18,560.00)
04/08/26	USBR	0.00	0.00	0.00	(380,941.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(380,941.00)
04/10/26	Shepherd OU	0.00	(1,645.59)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(1,645.59)
04/12/26	Visa Payments	0.00	(327.01)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(327.01)
04/17/26	EE Assoc 3/28/26-4/10/26	0.00	(460.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(460.00)
04/17/26	ICMA Retirement 3/28/26-4/10/26	0.00	(211,001.26)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(211,001.26)
04/20/26	Kiewit Finance Group	0.00	(8,790.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(8,790.00)
04/23/26	Shepherd OU	0.00	(4,200.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(4,200.00)
04/27/26	Visa Payments	0.00	(20,799.19)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(20,799.19)
04/28/26	Darktrace Holding LTD	0.00	(38,587.50)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(38,587.50)
04/29/26	2025 Annual Sales Tax	0.00	(27,581.98)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(27,581.98)
		0.00	(469,398.72)	0.00	(399,501.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(868,899.72)
Date	Transfers												
04/01/26	Funding for Accounts Payable	0.00	0.00	0.00	1,000,000.00	0.00	(1,000,000.00)	0.00	0.00	0.00	0.00	0.00	0.00
04/07/26	Funding for Accounts Payable	0.00	0.00	0.00	1,000,000.00	0.00	(1,000,000.00)	0.00	0.00	0.00	0.00	0.00	0.00
04/07/26	Funding for Accounts Payable	0.00	0.00	0.00	500,000.00	0.00	(500,000.00)	0.00	0.00	0.00	0.00	0.00	0.00
04/30/26	Higher Interest Bearing Account	0.00	0.00	0.00	(4,000,000.00)	0.00	4,000,000.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	(1,500,000.00)	0.00	1,500,000.00	0.00	0.00	0.00	0.00	0.00	0.00

San Luis & Delta-Mendota Water Authority
Cash Activity Detail Report - Operational
For Month Ending April 30, 2026

Daily Interest Rates: Type of Account: Account #:		Cash on Hand	0.00% CWB Checking 0471	0.00% CWB Payroll 0489	0.50% CWB Transactional 0463	0.50% CWB Emergency Reserve 4858	3.80% CWB Money Mkt 8343	3.86% Cal Trust 2510 Short Term 201	3.89% Cal Trust 2510 Medium Term 202	3.76% Cal Trust 2510 Liquidity 203	3.81% LAIF 4-006	Petty Cash	Total
Cash Balance as of 3/31/26		0.00	(302,157.73)	5,000.00	671,148.34	2,201,919.38	4,898,236.17	591,047.15	541,157.81	8,780,300.90	70,395.97	1,000.00	17,458,047.99
Date	Wire Payments												
04/01/26	Funding for 4/3/26 Payroll & Taxes	0.00	0.00	0.00	(465,060.33)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(465,060.33)
04/07/26	DWR Intertie Conveyance Costs	0.00	0.00	0.00	(1,013,995.02)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(1,013,995.02)
04/15/26	Funding for 4/17/26 Payroll & Taxes	0.00	0.00	0.00	(513,533.17)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(513,533.17)
04/29/26	Funding for 5/1/26 Payroll & Taxes	0.00	0.00	0.00	(470,671.03)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(470,671.03)
04/29/26	USBR Power-Tracy, Intertie, O'Neill, DA & Banks	0.00	0.00	0.00	(2,600,000.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(2,600,000.00)
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	(5,063,259.55)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(5,063,259.55)
Date	CWB Sweep Checking/Trans Muni												
04/01/26	Sweep from Transactions Account	0.00	84,676.59	0.00	(84,676.59)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
04/02/26	Sweep from Transactions Account	0.00	87,291.50	0.00	(87,291.50)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
04/03/26	Sweep from Transactions Account	0.00	245,425.25	0.00	(245,425.25)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
04/06/26	Sweep from Transactions Account	0.00	12,841.00	0.00	(12,841.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
04/07/26	Sweep from Transactions Account	0.00	214,896.42	0.00	(214,896.42)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
04/08/26	Sweep from Transactions Account	0.00	54,390.44	0.00	(54,390.44)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
04/09/26	Sweep from Transactions Account	0.00	5,708.52	0.00	(5,708.52)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
04/10/26	Sweep from Transactions Account	0.00	11,006.95	0.00	(11,006.95)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
04/13/26	Sweep from Transactions Account	0.00	16,788.82	0.00	(16,788.82)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
04/14/26	Sweep from Transactions Account	0.00	192,235.14	0.00	(192,235.14)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
04/15/26	Sweep from Transactions Account	0.00	365,002.89	0.00	(365,002.89)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
04/16/26	Sweep from Transactions Account	0.00	48,446.66	0.00	(48,446.66)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
04/17/26	Sweep from Transactions Account	0.00	215,522.87	0.00	(215,522.87)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
04/20/26	Sweep from Transactions Account	0.00	135,217.42	0.00	(135,217.42)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
04/21/26	Sweep from Transactions Account	0.00	74,898.47	0.00	(74,898.47)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
04/22/26	Sweep from Transactions Account	0.00	15,178.36	0.00	(15,178.36)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
04/23/26	Sweep from Transactions Account	0.00	164,844.77	0.00	(164,844.77)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
04/24/26	Sweep from Transactions Account	0.00	4,284.49	0.00	(4,284.49)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
04/27/26	Sweep from Transactions Account	0.00	176,823.81	0.00	(176,823.81)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
04/28/26	Sweep from Transactions Account	0.00	142,552.43	0.00	(142,552.43)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
04/29/26	Sweep from Transactions Account	0.00	106,891.99	0.00	(106,891.99)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
04/30/26	Sweep from Transactions Account	0.00	48,481.83	0.00	(48,481.83)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	2,423,406.62	0.00	(2,423,406.62)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Date	Bank Fee/Bank Error/Adjustments												
04/30/26	Change in Share Price	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(548.85)	0.00	0.00	0.00	(548.85)
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	(548.85)	0.00	0.00	0.00	(548.85)
Date	Interest Earned												
04/30/26	Interest Earned	0.00	0.00	0.00	1,851.55	904.90	8,704.17	1,873.91	1,727.96	27,131.02	689.85	0.00	42,883.36
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	1,851.55	904.90	8,704.17	1,873.91	1,727.96	27,131.02	689.85	0.00	42,883.36
Cash Balance as of 4/30/26		0.00	(334,262.71)	5,000.00	1,198,842.32	2,202,824.28	6,406,940.34	592,921.06	542,336.92	8,807,431.92	71,085.82	1,000.00	19,494,119.95

Note: Daily Interest Rates are through 4/30/2026

San Luis & Delta-Mendota Water Authority
Grant and USBR Funds Cash Activity Detail Report
For Month Ending April 30, 2026

		CWB Checking Grants *8778	CWB Checking DMC Subsidence Correction Funding *1787	CWB Checking USBR Rewind *8751	CWB Checking IRWM P1R1 *0659	CalTrust Solar Over Canal 0200	Total
Account #:							
Cash Balance as of 3/31/26		0.00	0.00	0.00	0.00	0.00	0.00
Date	Receipts - Remote Deposit						
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
Date	Receipts - Wires & ACH						
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
Date	Checks Written						
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
Date	Wires In from						
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
Date	Wires Out						
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
Date	Interest Earned						
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
Date	Reversal of Annual Fee						
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
Date	Bank Fee/Bank Error/Adjustments						
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
Cash Balance as of 4/30/26		0.00	0.00	0.00	0.00	0.00	0.00

*Non-Interest Bearing Account

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05/19/26

San Luis & Delta-Mendota Water Authority
Cash Activity Detail Report - JPP Unit Rewinds Bond 2021A
For Month Ending April 30, 2026

Account Information:		CWB Bond 2021A	US Bank Bond 2021A	Total
Cash Balance as of 3/31/26		0.00	453,886.89	453,886.89
Date	Payment Receipts			
		0.00	0.00	0.00
		0.00	0.00	0.00
		0.00	0.00	0.00
Date	To/From CAR - Operational			
		0.00	0.00	0.00
		0.00	0.00	0.00
		0.00	0.00	0.00
Date	Reversal of Annual Fee			
		0.00	0.00	0.00
		0.00	0.00	0.00
		0.00	0.00	0.00
Date	Interest Earned / Adjustments			
04/30/26	Taxable Dividends	0.00	1,269.80	1,269.80
		0.00	0.00	0.00
		0.00	1,269.80	1,269.80
Cash Balance as of 4/30/26		0.00	455,156.69	455,156.69

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05/19/26

San Luis & Delta-Mendota Water Authority
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Account Type	Date	Docu	Vendor	Billed	Paid
ACCOUNTS PAYABLE					
Vendor Bill Payment	4/1/2026	44669	1154 AIRGAS, INC.		\$2,287.70
Vendor Bill Payment	4/1/2026	44670	1195 AMERICAN CRANE RENTAL, INC		\$5,693.50
Vendor Bill Payment	4/1/2026	44671	25906 AMERICAN TRAINCO LLC dba		\$1,495.00
Vendor Bill Payment	4/1/2026	44672	25844 APEX POWER, ELECTRICAL S		\$9,505.88
Vendor Bill Payment	4/1/2026	44673	1098 ASBURY ENVIRONMENTAL SER		\$218.00
Vendor Bill Payment	4/1/2026	44674	1268 AT&T 831-001-0165 694		\$2,046.02
Vendor Bill Payment	4/1/2026	44675	1267 AT&T 831-001-0165 911		\$2,206.04
Vendor Bill Payment	4/1/2026	44676	1269 AT&T 831-001-0448 912		\$995.00
Vendor Bill Payment	4/1/2026	44677	25610 AT&T MOBILITY 287312990252		\$1,058.76
Vendor Bill Payment	4/1/2026	44678	25615 AT&T MOBILITY 287314028407		\$3,070.47
Vendor Bill Payment	4/1/2026	44679	25912-EMPLOYEE		\$250.00
Vendor Bill Payment	4/1/2026	44680	25725 BARNES WELDING		\$231.45
Vendor Bill Payment	4/1/2026	44681	1647 BAY AREA AIR QUALITY MGMT		\$564.00
Vendor Bill Payment	4/1/2026	44682	25888 BELKORP AG, LLC		\$1,012.12
Vendor Bill Payment	4/1/2026	44683	2217 C.A. SHORT COMPANY, INC		\$1,370.25
Vendor Bill Payment	4/1/2026	44684	2445 CABLE & WIRELESS TECHNOL		\$11,128.74
Vendor Bill Payment	4/1/2026	44685	2250 CDW GOVERNMENT		\$1,148.47
Vendor Bill Payment	4/1/2026	44686	25704 CITRIN COOPERMAN ADVISOF		\$2,220.00
Vendor Bill Payment	4/1/2026	44687	2105 COUNTY OF STANISLAUS / Fink		\$54.15
Vendor Bill Payment	4/1/2026	44688	2519 DELTA DISPOSAL SERVICE - 33		\$885.80
Vendor Bill Payment	4/1/2026	44689	25665 DELTA DISPOSAL SERVICE, IN		\$709.50
Vendor Bill Payment	4/1/2026	44690	2639 DHR HYDRO SERVICES INC.		\$53,032.50
Vendor Bill Payment	4/1/2026	44691	2611 DIEPENBROCK ELKIN		\$1,039.50
Vendor Bill Payment	4/1/2026	44692	2629 DK ENTERPRISES INC. dba KIN		\$527.15
Vendor Bill Payment	4/1/2026	44693	25689 EMERALD LANDSCAPE COMP,		\$1,678.00
Vendor Bill Payment	4/1/2026	44694	3610 FASTRAK		\$17.00
Vendor Bill Payment	4/1/2026	44695	3604 FIRESTONE COMPLETE AUTO (		\$967.49
Vendor Bill Payment	4/1/2026	44696	25899 FLEXTG LLC		\$3,644.45
Vendor Bill Payment	4/1/2026	44697	12019 GRAINGER INC.		\$185.56
Vendor Bill Payment	4/1/2026	44698	4544 HACH COMPANY		\$642.02
Vendor Bill Payment	4/1/2026	44699	25626 HALLMARK GROUP		\$102,084.69
Vendor Bill Payment	4/1/2026	44700	4531 HIXCO		\$1,011.50
Vendor Bill Payment	4/1/2026	44701	4500 HOLT OF CALIFORNIA		\$899.39
Vendor Bill Payment	4/1/2026	44702	4528 HOME DEPOT CREDIT SERVICE		\$3,130.51
Vendor Bill Payment	4/1/2026	44703	5047 INDUSTRIAL SCIENTIFIC CORP.		\$984.59
Vendor Bill Payment	4/1/2026	44704	6518-EMPLOYEE		\$143.33
Vendor Bill Payment	4/1/2026	44705	25524 JDH CORROSION CONSULTAN		\$4,500.00
Vendor Bill Payment	4/1/2026	44706	6071 KELLOGG'S SUPPLY		\$95.74
Vendor Bill Payment	4/1/2026	44707	2602 KNIFE RIVER CONSTRUCTION -		\$2,121.26
Vendor Bill Payment	4/1/2026	44708	6026 KRONICK, MOSKOVITZ, TIEDEN		\$83,412.92
Vendor Bill Payment	4/1/2026	44709	25908 LESLIE'S POOLMART INC. dba		\$16.10
Vendor Bill Payment	4/1/2026	44710	6500 LINNEMAN LAW, LLP		\$780.00
Vendor Bill Payment	4/1/2026	44711	25889 LUCAS PUBLIC AFFAIRS, LLC		\$31,375.00
Vendor Bill Payment	4/1/2026	44712	6801 LUHDORFF & SCALMANINI CON		\$31,905.15
Vendor Bill Payment	4/1/2026	44713	7008 MARFAB INC.		\$218.93
Vendor Bill Payment	4/1/2026	44714	7030 MCMASTER-CARR		\$83.63
Vendor Bill Payment	4/1/2026	44715	7198 MELLO TRUCK REPAIR CO., INC		\$200.00

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Vendor Bill Payment	4/1/2026	44716	7009 MERCED COUNTY REG. WASTE	\$141.63
Vendor Bill Payment	4/1/2026	44717	7027 MODESTO WELDING PRODUCT	\$230.62
Vendor Bill Payment	4/1/2026	44718	7083 MSC INDUSTRIAL SUPPLY CO. /	\$1,644.26
Vendor Bill Payment	4/1/2026	44719	25769 N & S TRACTOR	\$2,829.43
Vendor Bill Payment	4/1/2026	44720	7529 NEW YORK LIFE INSURANCE	\$778.03
Vendor Bill Payment	4/1/2026	44721	2367 NUTRIEN AG SOLUTIONS, INC.	\$12,371.05
Vendor Bill Payment	4/1/2026	44722	8570 PACIFIC BAY EQUIPMENT	\$340.85
Vendor Bill Payment	4/1/2026	44723	7005 PACIFIC VALLEY COFFEE	\$110.80
Vendor Bill Payment	4/1/2026	44724	25529 PG&E 0664015301-8	\$83.14
Vendor Bill Payment	4/1/2026	44725	25531 PG&E 2125628853-7	\$239.63
Vendor Bill Payment	4/1/2026	44726	8502 PITNEY BOWES GLOBAL FINAN	\$84.49
Vendor Bill Payment	4/1/2026	44727	9574 PITNEY BOWES-RESERVE ACC	\$1,500.00
Vendor Bill Payment	4/1/2026	44728	15074 PLATT	\$953.64
Vendor Bill Payment	4/1/2026	44729	15082 POINT ONE ELECTRICAL SYS1	\$1,621.03
Vendor Bill Payment	4/1/2026	44730	25859 PRIMO BRANDS / TFO	\$390.58
Vendor Bill Payment	4/1/2026	44731	1610 RAPTOR BLASTING SOLUTIONS	\$390.95
Vendor Bill Payment	4/1/2026	44732	25623 REXEL USA, INC.	\$19,212.18
Vendor Bill Payment	4/1/2026	44733	9625 RUCKSTELL CALIFORNIA SALE:	\$3,059.59
Vendor Bill Payment	4/1/2026	44734	25852 SABAH INTERNATIONAL INC.	\$4,994.17
Vendor Bill Payment	4/1/2026	44735	10016 SAFETY-KLEEN SYSTEMS, INC	\$466.30
Vendor Bill Payment	4/1/2026	44736	10325 SHRED-IT, C/O STERICYCLE, II	\$333.40
Vendor Bill Payment	4/1/2026	44737	10002 SORENSEN'S ACE HARDWARE	\$190.12
Vendor Bill Payment	4/1/2026	44738	10230 SUNBELT RENTALS, INC.	\$3,832.51
Vendor Bill Payment	4/1/2026	44739	10655 THE WILDLIFE PROJECT	\$6,621.97
Vendor Bill Payment	4/1/2026	44740	10633 TRACY FORD	\$2,525.38
Vendor Bill Payment	4/1/2026	44741	25915 TUFF SHED INC.	\$7,530.86
Vendor Bill Payment	4/1/2026	44742	11042 ULINE	\$226.24
Vendor Bill Payment	4/1/2026	44743	11029 UNITED PARCEL SERVICE	\$225.95
Vendor Bill Payment	4/1/2026	44744	12096 WEX BANK	\$849.10
Vendor Bill Payment	4/1/2026	44745	4122 WILLIAM R. GRAY & CO./DBA Gr	\$3,979.00
Vendor Bill Payment	4/1/2026	44746	13002 YOUNG'S AIR CONDITIONING	\$178.76
ACH	4/1/2026	27026	25909 KIEWIT INFRASTRUCTURE WE	\$42,800.00
ACH	4/3/2026	27027	25536 SLDMWA EE ASSOCIATION	\$460.00
ACH	4/3/2026	27028	5004 ICMA RETIREMENT TRUST	\$112,746.19
Vendor Bill Payment	4/7/2026	44747	1041 ACWA/JPIA - Insurance Premium:	\$263,990.46
Vendor Bill Payment	4/7/2026	44748	25716 AMAZON CAPITAL SERVICES,	\$3,995.62
Vendor Bill Payment	4/7/2026	44749	5503 ARCTIC GLACIER USA, INC. / LC	\$165.40
Vendor Bill Payment	4/7/2026	44750	1647 BAY AREA AIR QUALITY MGMT	\$1,671.00
Vendor Bill Payment	4/7/2026	44751	1602 BILL'S MOWER & SAW	\$91.89
Vendor Bill Payment	4/7/2026	44752	10233-EMPLOYEE	\$250.00
Vendor Bill Payment	4/7/2026	44753	BYRON-BETHANY IRRIGATION DISTF	\$7,977.00
Vendor Bill Payment	4/7/2026	44754	2407 CDM SMITH INC.	\$31,280.91
Vendor Bill Payment	4/7/2026	44755	2250 CDW GOVERNMENT	\$7,782.80
Vendor Bill Payment	4/7/2026	44756	25503 CENTRAL VALLEY SOFTWARE	\$4,900.00
Vendor Bill Payment	4/7/2026	44757	25501 CINTAS CORPORATION	\$694.28
Vendor Bill Payment	4/7/2026	44758	9602 CORE & MAIN LP dba R&B COMI	\$1,155.40
Vendor Bill Payment	4/7/2026	44759	2631 D8A COMMUNICATION TECHNOC	\$853.00
Vendor Bill Payment	4/7/2026	44760	3086 EKI ENVIRONMENT & WATER, II	\$52,421.46
Vendor Bill Payment	4/7/2026	44761	3614 FRANCHISE TAX BOARD	\$508.46
Vendor Bill Payment	4/7/2026	44762	4610 H.T. HARVEY & ASSOCIATES	\$725.50
Vendor Bill Payment	4/7/2026	44763	25626 HALLMARK GROUP	\$33,422.27
Vendor Bill Payment	4/7/2026	44764	5033 INDUSTRY PACKING & SEALS, I	\$1,804.83
Vendor Bill Payment	4/7/2026	44765	25723 JOE HASSAN'S INC.	\$198.34
Vendor Bill Payment	4/7/2026	44766	6026 KRONICK, MOSKOVITZ, TIEDEM	\$4,183.36
Vendor Bill Payment	4/7/2026	44767	25518 LOS BANOS PROPERTY MANA	\$8,699.95
Vendor Bill Payment	4/7/2026	44768	6801 LUHDORFF & SCALMANINI CON	\$4,386.00

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Vendor Bill Payment	4/7/2026	44769	7008 MARFAB INC.	\$380.76
Vendor Bill Payment	4/7/2026	44770	10262 MATRIX SCIENCES INTERNATI	\$11,018.70
Vendor Bill Payment	4/7/2026	44771	7030 MCMaster-CARR	\$34.25
Vendor Bill Payment	4/7/2026	44772	7009 MERCED COUNTY REG. WASTE	\$56.00
Vendor Bill Payment	4/7/2026	44773	25769 N & S TRACTOR	\$903.65
Vendor Bill Payment	4/7/2026	44774	7581 NATIONAL ELECTRIC COIL COM	\$66,716.70
Vendor Bill Payment	4/7/2026	44775	8055 O'REILLY / TRACY 2347935	\$2,361.22
Vendor Bill Payment	4/7/2026	44776	8000 OFFICE SUPPLY EXPRESS	\$20.65
Vendor Bill Payment	4/7/2026	44777	8502 PITNEY BOWES GLOBAL FINAN	\$826.60
Vendor Bill Payment	4/7/2026	44778	25794 RAMOS OIL COMPANY	\$7,484.58
Vendor Bill Payment	4/7/2026	44779	25814 RAT INCORPORATED	\$220.00
Vendor Bill Payment	4/7/2026	44780	6805 RELX INC. DBA LEXISNEXIS	\$255.00
Vendor Bill Payment	4/7/2026	44781	25623 REXEL USA, INC.	\$489.74
Vendor Bill Payment	4/7/2026	44782	9634 RICHARDSON & COMPANY, LLF	\$32,000.00
Vendor Bill Payment	4/7/2026	44783	10129 SANTOS FORD, INC.	\$2,094.94
Vendor Bill Payment	4/7/2026	44784	10069 SUMMERS ENGINEERING, INC	\$23,586.48
Vendor Bill Payment	4/7/2026	44785	25643-EMPLOYEE	\$306.00
Vendor Bill Payment	4/7/2026	44786	10601 TURLOCK IRRIGATION DISTRI	\$153.63
Vendor Bill Payment	4/7/2026	44787	11042 ULINE	\$443.47
Vendor Bill Payment	4/7/2026	44788	25622 WESTSIDE TRUCK REPAIR, IN	\$110.00
WIRE	4/7/2026	27029	2514 DEPT. OF WATER RESOURCES	\$1,013,995.02
ACH	4/8/2026	27030	1628 BUREAU OF RECLAMATION	\$18,560.00
ACH	4/8/2026	27031	1628 BUREAU OF RECLAMATION	\$380,941.00
ACH	4/10/2026	27032	10327 SHEPHERD OU	\$1,645.59
ACH	4/12/2026		VISA PAYMENT	\$327.01
Vendor Bill Payment	4/14/2026	44789	25687 AAA WORKSPACE	\$343.05
Vendor Bill Payment	4/14/2026	44790	1007 ACWA/JPIA - Crime/Property/Liab	\$97,638.17
Vendor Bill Payment	4/14/2026	44791	5500 ACWA/JPIA - Workers Comp	\$58,044.64
Vendor Bill Payment	4/14/2026	44792	1671 BAKER MANOCK & JENSEN	\$622.50
Vendor Bill Payment	4/14/2026	44793	1675 BLOOMBERG INC.	\$3,006.00
Vendor Bill Payment	4/14/2026	44794	1652 BONANDER AUTO, TRUCK & TR	\$53,392.85
Vendor Bill Payment	4/14/2026	44795	2449 CALIFORNIA SPECIAL DISTRICT	\$790.00
Vendor Bill Payment	4/14/2026	44796	2407 CDM SMITH INC.	\$63,498.40
Vendor Bill Payment	4/14/2026	44797	5043-EMPLOYEE	\$169.95
Vendor Bill Payment	4/14/2026	44798	25597 COMPASS RESOURCE MANAG	\$7,150.00
Vendor Bill Payment	4/14/2026	44799	2278 COPY SHIPPING SOLUTIONS	\$16.50
Vendor Bill Payment	4/14/2026	44800	2386 COTCHETT, PITRE & MCCARTH	\$300.00
Vendor Bill Payment	4/14/2026	44801	2631 D8A COMMUNICATION TECHNC	\$859.95
Vendor Bill Payment	4/14/2026	44802	25933-EMPLOYEE	\$250.00
Vendor Bill Payment	4/14/2026	44803	6780-EMPLOYEE	\$148.42
Vendor Bill Payment	4/14/2026	44804	2630 DIRECT SECURITY & SOUND, IN	\$870.00
Vendor Bill Payment	4/14/2026	44805	10311-EMPLOYEE	\$119.83
Vendor Bill Payment	4/14/2026	44806	3086 EKI ENVIRONMENT & WATER, II	\$11,929.32
Vendor Bill Payment	4/14/2026	44807	3604 FIRESTONE COMPLETE AUTO (	\$809.17
Vendor Bill Payment	4/14/2026	44808	12019 GRAINGER INC.	\$899.71
Vendor Bill Payment	4/14/2026	44809	4026 GRANITE CONSTRUCTION COM	\$1,543.50
Vendor Bill Payment	4/14/2026	44810	4531 HIXCO	\$1,037.65
Vendor Bill Payment	4/14/2026	44811	4528 HOME DEPOT CREDIT SERVICE	\$2,612.57
Vendor Bill Payment	4/14/2026	44812	25594 HOUSTON ENGINEERING, INC	\$1,442.25
Vendor Bill Payment	4/14/2026	44813	25651-EMPLOYEE	\$190.30
Vendor Bill Payment	4/14/2026	44814	6049 KAHN, SOARES & CONWAY, LL	\$70.11
Vendor Bill Payment	4/14/2026	44815	6034 KAMPS PROPANE INC. / MANTE	\$592.51
Vendor Bill Payment	4/14/2026	44816	25924 KEARNS & WEST, INC.	\$6,230.00
Vendor Bill Payment	4/14/2026	44817	7008 MARFAB INC.	\$167.42
Vendor Bill Payment	4/14/2026	44818	25863 MATARAZZO LAW, A PROFES	\$852.60
Vendor Bill Payment	4/14/2026	44819	7198 MELLO TRUCK REPAIR CO., INC	\$550.00

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Vendor Bill Payment	4/14/2026	44820	25769 N & S TRACTOR	\$102.69
Vendor Bill Payment	4/14/2026	44821	25547 O'REILLY / LOS BANOS 10689	\$593.80
Vendor Bill Payment	4/14/2026	44822	8071 ORACLE AMERICA, INC.	\$1,980.00
Vendor Bill Payment	4/14/2026	44823	8595 PACIFIC ECO-RISK LAB. INC.	\$18,275.63
Vendor Bill Payment	4/14/2026	44824	8511 PG&E 7262165466-3	\$4,610.94
Vendor Bill Payment	4/14/2026	44825	15003 PROVOST & PRITCHARD CON	\$3,441.78
Vendor Bill Payment	4/14/2026	44826	10164 SAN JOAQUIN RIVER EXCHAN	\$16,350.00
Vendor Bill Payment	4/14/2026	44827	10129 SANTOS FORD, INC.	\$327.39
Vendor Bill Payment	4/14/2026	44828	10002 SORENSEN'S ACE HARDWARE	\$117.42
Vendor Bill Payment	4/14/2026	44829	25706 SOUTHERN TIRE MART, LLC	\$755.70
Vendor Bill Payment	4/14/2026	44830	11060 UNWIRED BROADBAND INC. /	\$799.97
Vendor Bill Payment	4/14/2026	44831	25521 UNWIRED BROADBAND INC. /	\$249.98
Vendor Bill Payment	4/14/2026	44832	25934 VALLEY WATER COLLABORAT	\$25,060.96
Vendor Bill Payment	4/14/2026	44833	12057 WINDECKER. INC.	\$14,044.55
ACH	4/17/2026	27036	25536 SLDMWA EE ASSOCIATION	\$460.00
ACH	4/17/2026	27037	5004 ICMA RETIREMENT TRUST	\$211,001.26
ACH	4/20/2026	27038	25909 KIEWIT INFRASTRUCTURE WE	\$8,790.00
Vendor Bill Payment	4/21/2026	44840	25695 AT&T MOBILITY/SEI PROCESS	\$127.74
Vendor Bill Payment	4/21/2026	44841	25930 BOBCAT OF CHICO/ ICONIC M.	\$12,828.74
Vendor Bill Payment	4/21/2026	44842	2217 C.A. SHORT COMPANY, INC	\$142.50
Vendor Bill Payment	4/21/2026	44843	2407 CDM SMITH INC.	\$115,834.64
Vendor Bill Payment	4/21/2026	44844	25704 CITRIN COOPERMAN ADVISOF	\$1,500.00
Vendor Bill Payment	4/21/2026	44845	2368 CRAMER FISH SCIENCES	\$4,246.00
Vendor Bill Payment	4/21/2026	44846	25627-EMPLOYEE	\$250.00
Vendor Bill Payment	4/21/2026	44847	2519 DELTA DISPOSAL SERVICE - 33	\$885.80
Vendor Bill Payment	4/21/2026	44848	2639 DHR HYDRO SERVICES INC.	\$50,110.00
Vendor Bill Payment	4/21/2026	44849	25923 DIVERSIFIED MACHINING & FA	\$47,257.70
Vendor Bill Payment	4/21/2026	44850	25689 EMERALD LANDSCAPE COMP,	\$1,678.00
Vendor Bill Payment	4/21/2026	44851	3568 FASTENAL COMPANY	\$3,347.17
Vendor Bill Payment	4/21/2026	44852	3542 FGL ENVIRONMENTAL, INC.	\$881.00
Vendor Bill Payment	4/21/2026	44853	3597 FOLEY & LARDNER LLP	\$32,000.00
Vendor Bill Payment	4/21/2026	44854	25935 FRANCHISE TAX BOARD/ VEH	\$383.00
Vendor Bill Payment	4/21/2026	44855	25550 GILTON SOLID WASTE MANAG	\$103.70
Vendor Bill Payment	4/21/2026	44856	4004 GILTON SOLID WASTE MANAGE	\$137.61
Vendor Bill Payment	4/21/2026	44857	12019 GRAINGER INC.	\$1,309.74
Vendor Bill Payment	4/21/2026	44858	25626 HALLMARK GROUP	\$143,471.63
Vendor Bill Payment	4/21/2026	44859	4605 HOMEWOOD SUITES	\$2,218.52
Vendor Bill Payment	4/21/2026	44860	5057-EMPLOYEE	\$150.00
Vendor Bill Payment	4/21/2026	44861	15078-EMPLOYEE	\$1,131.40
Vendor Bill Payment	4/21/2026	44862	6049 KAHN, SOARES & CONWAY, LL	\$96.32
Vendor Bill Payment	4/21/2026	44863	7008 MARFAB INC.	\$95.57
Vendor Bill Payment	4/21/2026	44864	10262 MATRIX SCIENCES INTERNATI	\$77.00
Vendor Bill Payment	4/21/2026	44865	7009 MERCED COUNTY REG. WASTE	\$19.00
Vendor Bill Payment	4/21/2026	44866	7182 MERCED TRUCK & TRAILER, IN	\$52.13
Vendor Bill Payment	4/21/2026	44867	25636 MIZUNO CONSULTING, INC.	\$7,500.00
Vendor Bill Payment	4/21/2026	44868	7027 MODESTO WELDING PRODUCT	\$3,085.57
Vendor Bill Payment	4/21/2026	44869	8071 ORACLE AMERICA, INC.	\$40,785.86
Vendor Bill Payment	4/21/2026	44870	7005 PACIFIC VALLEY COFFEE	\$122.28
Vendor Bill Payment	4/21/2026	44871	7583 PETTY CASH LBFO	\$130.86
Vendor Bill Payment	4/21/2026	44872	25850 PRIMO BRANDS / LBAO	\$181.84
Vendor Bill Payment	4/21/2026	44873	25851 PRIMO BRANDS / LBFO	\$227.77
Vendor Bill Payment	4/21/2026	44874	15015 PRINCIPAL LIFE INSURANCE C	\$6,922.91
Vendor Bill Payment	4/21/2026	44875	25794 RAMOS OIL COMPANY	\$8,169.76
Vendor Bill Payment	4/21/2026	44876	9603 REFRIGERATION SUPPLIES DIS	\$254.35
Vendor Bill Payment	4/21/2026	44877	25939 RESOURCES LEGACY FUND	\$5,000.00
Vendor Bill Payment	4/21/2026	44878	10325 SHRED-IT, C/O STERICYCLE, II	\$333.40

San Luis & Delta-Mendota Water Authority
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Vendor Bill Payment	4/21/2026	44879	11501 VAN'S ACE HARDWARE INC.	\$120.56
Vendor Bill Payment	4/21/2026	44880	12132 WATER BLUEPRINT SJ VALLE'	\$5,000.00
Vendor Bill Payment	4/21/2026	44881	1141 AFLAC	\$1,110.93
Vendor Bill Payment	4/21/2026	44882	1154 AIRGAS, INC.	\$2,666.41
Vendor Bill Payment	4/21/2026	44883	25931 AIRGAS, INC. DBA AIRGAS DR	\$289.61
Vendor Bill Payment	4/21/2026	44884	25716 AMAZON CAPITAL SERVICES,	\$5,794.00
Vendor Bill Payment	4/21/2026	44885	25844 APEX POWER, ELECTRICAL S	\$3,562.18
Vendor Bill Payment	4/21/2026	44886	10196 AT&T LONG DISTANCE BAN:8C	\$20.78
ACH	4/23/2026	27039	10327 SHEPHERD OU	\$4,200.00
ACH	4/27/2026		VISA PAYMENT	\$20,799.19
Vendor Bill Payment	4/28/2026	44887	25716 AMAZON CAPITAL SERVICES,	\$1,491.07
Vendor Bill Payment	4/28/2026	44888	25844 APEX POWER, ELECTRICAL S	\$2,951.09
Vendor Bill Payment	4/28/2026	44889	5503 ARCTIC GLACIER USA, INC. / LC	\$890.80
Vendor Bill Payment	4/28/2026	44890	25555 ARCTIC GLACIER USA, INC. / T	\$235.60
Vendor Bill Payment	4/28/2026	44891	1268 AT&T 831-001-0165 694	\$2,046.02
Vendor Bill Payment	4/28/2026	44892	1267 AT&T 831-001-0165 911	\$2,204.21
Vendor Bill Payment	4/28/2026	44893	25610 AT&T MOBILITY 287312990252	\$1,058.97
Vendor Bill Payment	4/28/2026	44894	25615 AT&T MOBILITY 287314028407	\$3,077.36
Vendor Bill Payment	4/28/2026	44895	25749 CAPITAL RUBBER & GASKET,	\$252.07
Vendor Bill Payment	4/28/2026	44896	25505 CENCAL AUTO & TRUCK PART	\$188.28
Vendor Bill Payment	4/28/2026	44897	25727-EMPLOYEE	\$250.00
Vendor Bill Payment	4/28/2026	44898	25665 DELTA DISPOSAL SERVICE, IN	\$1,977.00
Vendor Bill Payment	4/28/2026	44899	25896 DIGITAL DEPLOYMENT, INC. D	\$2,800.00
Vendor Bill Payment	4/28/2026	44900	3086 EKI ENVIRONMENT & WATER, II	\$59,647.38
Vendor Bill Payment	4/28/2026	44901	3568 FASTENAL COMPANY	\$2,014.81
Vendor Bill Payment	4/28/2026	44902	3604 FIRESTONE COMPLETE AUTO (	\$984.84
Vendor Bill Payment	4/28/2026	44903	25899 FLEXTG LLC	\$2,094.41
Vendor Bill Payment	4/28/2026	44904	12019 GRAINGER INC.	\$601.09
Vendor Bill Payment	4/28/2026	44905	4500 HOLT OF CALIFORNIA	\$1,092.30
Vendor Bill Payment	4/28/2026	44906	5509 JIM MOORE ENTERPRISES	\$535.13
Vendor Bill Payment	4/28/2026	44907	25857 JOHN M. ELLSWORTH CO., INC	\$860.37
Vendor Bill Payment	4/28/2026	44908	7008 MARFAB INC.	\$45.72
Vendor Bill Payment	4/28/2026	44909	7009 MERCED COUNTY REG. WASTE	\$99.10
Vendor Bill Payment	4/28/2026	44910	7529 NEW YORK LIFE INSURANCE	\$778.03
Vendor Bill Payment	4/28/2026	44911	15035 PAPE KENWORTH / 1051618	\$158.81
Vendor Bill Payment	4/28/2026	44912	25529 PG&E 0664015301-8	\$10.78
Vendor Bill Payment	4/28/2026	44913	25531 PG&E 2125628853-7	\$53.17
Vendor Bill Payment	4/28/2026	44914	25530 PG&E 8833159983-2	\$2,801.62
Vendor Bill Payment	4/28/2026	44915	15074 PLATT	\$4,010.10
Vendor Bill Payment	4/28/2026	44916	25623 REXEL USA, INC.	\$28,585.20
Vendor Bill Payment	4/28/2026	44917	25916 RNT CONSULTING	\$12,293.22
Vendor Bill Payment	4/28/2026	44918	25873 THE FERGUSON GROUP, LLC	\$5,000.00
Vendor Bill Payment	4/28/2026	44919	10640 TRACY TOYOTA	\$283.07
Vendor Bill Payment	4/28/2026	44920	11501 VAN'S ACE HARDWARE INC.	\$64.76
Vendor Bill Payment	4/28/2026	44921	12111 WARDEN'S	\$532.76
Vendor Bill Payment	4/28/2026	44922	12096 WEX BANK	\$881.32
Vendor Bill Payment	4/28/2026	44923	25656 ZOLEO USA INC.	\$200.00
ACH	4/28/2026	27058	25685 DARKTRACE HOLDINGS LIMIT	\$38,587.50
WIRE	4/29/2026	27059	11045 BUREAU OF RECLAMATION - S	\$2,600,000.00
ACH	4/30/2026	27060	1651 CA DEPT OF TAX & FEE ADMINI	\$27,581.98
Total - ACCOUNTS PAYABLE				\$0.00 \$6,571,820.58
Total				\$0.00 \$6,571,820.58